

The NATIONAL UNDERWRITER

The National Weekly Newspaper of Fire and Casualty Insurance

November 14, 1958

62nd Year, No. 45

Heavy Casualties In NAIC Ranks In Election Wake

14 States May Change Commissioners; Will Affect NAIC Progress

The Nov. 4 elections brought about a heavy casualty list in the ranks of National Assn. of Insurance Commissioners. Changes are expected in as many as 14 states, with some of the most active commissioners to go out of office.

Turnover such as this will undoubtedly have an effect on the progress NAIC will be able to make in dealing with its wide variety of problems at the December meeting. Committees from which two or three leading lights will fade in a month or so may be unwilling to take action. If the past is a guide, the December gathering could be in the nature of a farewell party, with business accomplishments at a minimum.

Midwest Hard Hit

States in which change in the commissioner is definite or likely are: Alabama, California, Iowa, Maryland, Michigan, Minnesota, Nebraska, New York, Ohio, Oregon, Rhode Island, South Dakota, Utah, and Wisconsin. The midwest is particularly hard hit.

A rundown of the situation is given below state by state:

ALABAMA

It has been reported that with the election of John Patterson, Robert L. Jones, personnel director of Preferred Life of Montgomery, will be named to succeed the present superintendent, James H. Horn, whose appointment runs out Jan. 1.

ARIZONA

George A. Bushnell is named to his position as commissioner by a commission. It reportedly appears that the members elected to the commission are disposed to the renaming of Mr. Bushnell.

ARKANSAS

Commissioner Harvey Combs' term runs until 1961.

CALIFORNIA

F. Britton McConnell is out. A Republican appointee, he has been one of the most active members of NAIC.

COLORADO

The position of commissioner, now held by Sam N. Beery, is permanent under civil service in Colorado.

CONNECTICUT

The present commissioner, Alfred N. Premo, is an appointee of Gov. A. A. Ribicoff, who was reelected. His appointment runs to March.

(CONTINUED ON PAGE 41)

S. C. Agents Will Ask For More SR, No Alternatives

More than 350 attended the annual convention in Charleston of South Carolina Assn. of Insurance Agents, which was one of the largest crowds in the association's history. The group was characterized by a very high percentage of agents.

Chief action was a resolution advocating that the state strengthen and improve the safety responsibility law. The group took no position with respect to alternative suggestions, such



T. J. Mims, president, and Gordon K. Rodgers, vice-president, Canal of Greensboro, N. C., at the convention of South Carolina agents in Charleston, where Canal dispensed much of the company hospitality.

as compulsory, unsatisfied judgment fund, etc. (The principal company groups, Assn. of Casualty & Surety Companies, American Mutual Alliance, and National Assn. of Independent Insurers, it is understood, will seek to strengthen the safety responsibility law but will strongly oppose compulsory, UJF, and mandatory uninsured motorists coverage.)

In previous legislative sessions the agents' association had recommended strengthening the SR law but had expressed a preference for UJF to compulsory.

Officers Are Reelected

J. Edwin Schachte Jr. of Charleston was elected state national director. Other officers were reelected—W. L. Thompson Jr. of Hartsville, president; Edwin F. Saunders of Walterboro, vice-president; Gordon Schmidt of Charleston, secretary-treasurer; J. D. Hill, Columbia, attorney, and Lloyd E. Greer, manager.

Reports indicated that the organization is in fine financial condition, and that it has a membership of 436, which is 95% of the eligible agencies.

Paul H. Jones of Tucson, vice-president of NAIA, said it is futile for one part of the business to tell other segments how to run their part. He suggested agents try to improve agency efficiency and let companies run the companies.

Certainly the agents ought to participate.

(CONTINUED ON PAGE 40)

New Homeowners Is Filed In Ohio

The new homeowners program has been filed in Ohio and approval seems imminent, according to Robert K. Syfert, rating chief of the Ohio department. Mr. Syfert included this information in a talk before the Ohio Assn. of Mutual Insurance Agents at Lima.

He also said a general rate increase for auto seems inevitable. No filing has been made but a study by the Ohio department turned up numerous facts which clearly support the need.

(The filing of the new homeowners was reportedly first made in Georgia with hopes of a mid-November approval, but there has been no announcement from that state. It is understood that the midwest homeowners schedule called for simultaneous filings in Ohio and Michigan, but there has been no word from Michigan.)

Leslie Sets Slawsby Straight On Auto Class Experience

William Leslie Jr., general manager of National Bureau of Casualty Underwriters, has written Archie M. Slawsby, president of National Assn. of Insurance Agents, regarding a statement made in Mr. Slawsby's talk at the California association's convention.

Mr. Slawsby said that "few companies and certainly no bureau keep records of auto premiums by class and losses by classification. The premiums are accounted for and the losses are too, but divisions of premiums and losses by classification are non-existent."

Mr. Leslie writes that this is not true. "National Bureau does compile premiums and losses by classification by state as well as on a consolidated basis. The fact, therefore, is that the bureau's present classification plan and differences in rates by classification are supported by a large volume of experience by class."

Subject Of NAIA Address

Mr. Leslie said he was writing because he felt sure Mr. Slawsby would welcome the facts, and that the facts should be known and understood by producers. J. M. Cahill, secretary of

(CONTINUED ON PAGE 41)

Hail Insurance Has Outstanding Gains In 1958

Premiums At Record High, Losses Decrease; Line Makes Full Comeback From 1956

Hail insurance premiums of the members and subscribers of Crop-Hail Insurance Actuarial Assn. in 1958 soared past the \$70 million mark for the first time, while losses for the second year in a row were below those of the year before. The preliminary report of Crop-Hail Assn. shows an indicated loss ratio for 1958 of 53.2, down 10 points from 1957.

Year Of Rejoicing

This will be a year of rejoicing for the hail insurance departments. They have become, since the Crop-Hail Assn. rapid-fire handling of statistics was introduced, the first company units to give any sure indication of annual results, and 1958 is a record year in income and an excellent year on the loss side. Only two years ago the hail business was at its lowest point with a loss ratio of 80% on premiums of \$55 million. In 1957, there was a remarkable comeback, and the improvement has continued almost unabated through 1958.

Indicate 53.2% Loss Ratio

Preliminary statistics for 1958 indicate premiums of \$77,566,118, losses of \$41,297,113 and a loss ratio of 53.2. The premiums are 11.2% above those of 1957, the losses are down 6.4%, and the loss ratio is an improvement of 15.9%. Crop-hail premiums have set new records every year since 1952.

The substantial premium increase in the hail line in 1958 is due in large measure to extremely good crop conditions which produced an unusually large insurable exposure. There has been, as well, a greater participation of companies in this line, most notably this year by Loyalty group which came in via its affiliation with America Fore, one of the old powers in the field.

Experience continued to improve in 1958. Good weather and the absence of late storms on the soybean crops were partly responsible for the \$3 million decrease in losses, the good

(CONTINUED ON PAGE 24)



Shown left to right at the downstate regional meeting of New York State Assn. of Insurance Agents and Suburban New York Assn. are John N. Walsh Jr. of Buffalo; Nicholas Dekker, executive vice-president of America Fore Loyalty; Elmer G. Johnson of Staten Island, president of the suburban association; John McCormick, vice-president Royal-Globe; Thomas Glavey, vice-president Chase Manhattan Bank.

Automobile: Effects Of Compulsory On Companies, Commissions, Selling

By KENNETH O. FORCE

(Based on talk at the annual convention of Insurers of Tennessee, Memphis.)

The automobile, which at one time looked as if it would transport the local agent to the promised land of economic bliss, has landed him instead in a desert of brambles which extend as far as the eye can see.

The agent used to sell automobile insurance to reasonable men with property. The premiums were reasonably low. The experience was reasonably good. The commission was reasonably comparable to the cost of handling. Everyone was reasonably happy.

How And What Are Unreasonable

Today everything is unreasonable—
—The insured, who keeps running into people and poles.

—The claimant, who has embellished inflation with some embellishments of his own.

—The plaintiff's attorney, who has perfected the art of extraction far beyond the science of dental surgery.

—The premium, which has climbed over the \$100 mark in many territories.

—The experience, which left the profit line so long ago that insurers don't even know, any longer, where it is.

Thus everyone and everything is unreasonable:

—The agent is unreasonable because he is unhappy about companies cutting his commissions on automobile.

—The companies are unreasonable because they object to paying out more money than they take in.

—The commissioners are unreasonable and unhappy because if they don't approve frequent, large rate increases for automobile liability, the insurance companies may go broke—and if they do approve them, the commissioners won't get reelected.

So everyone is unhappy—except those who didn't insure, who didn't sell the insurance, or who didn't pay for it. Maybe the claimant is happy. Certainly the plaintiff's attorney, at fees up to 50%, should be. We almost wish that someone were happy.

Two aspects of automobile liability concern the business in general and the agent in particular. These are:

1. The gradual socialization of automobile third party liability insurance; and

2. The selling of such insurance in private insurers, which embraces the service of agents who, despite certain suggestions to the contrary in recent years, perform sales and service which are worth money which would have to be paid whatever the system of distribution.

What is going to happen to automobile insurance? What is going to happen to those who underwrite it and those who place and process it—and to their share of what is paid for it?

What about socialization?

The rapid increase in traffic accidents, and, in quite recent years, the substantial and frequent rise in rates,

have speeded up the steady drift of the automobile liability insurance business toward socialization. This trend is not new.

For many years the insurance business was successful in avoiding insurance by compulsion, but only through support of financial responsibility laws which became more and more compelling—so much more compelling that in most jurisdictions one short step is all that is left before compulsory. Fortunately, there are still alternatives.

Objection To Socialization

At the outset, two observations should be made.

One is that if the terms social and socialization are unpalatable and they appear to be, in a vigorous, independent, successful American economy, slightly foreign and suspect—remember that there is no modern economic device quite as social as insurance. It is a means by which society accumulates reserves to offset the economic loss brought about by fortuitous events which neither an individual nor an organization can for certain foresee and prevent.

The real objection to socialization, I think, is not to insurance as a means by which free men voluntarily undertake to prepay damage and loss which is caused unexpectedly. The real objection is—that government should force men to do what prudent men have been doing voluntarily—or as a result of the agent's persuasion. Be-

(CONTINUED ON PAGE 34)

Neb. Agents Form Battle Line Against Commission Cuts

The Nebraska Assn. of Insurance Agents made it clear at its annual convention in Lincoln last month that it intends to fight hard against any cut in commissions. The members voted unanimously to authorize the association to act in its behalf on reductions in acquisition cost factors in filed rates.

Although the resolution noted that the "agency contract is private in nature" and the association will take no part in establishing commission percentages, "everything and anything" will be done, including the hiring of counsel, to "deal with rating bureaus or any other individual or group which tries to change the production cost allowance in the rating formula."

Immediate past president Leo Beck notified the bureaus there "is absolutely no basis whatsoever" for such action in Nebraska. He said companies "by and large," have not been losing money in the state, and to ask the agent to take a 20% reduction in income is "utter folly."

Asks Help To Reduce Expenses

In separate action, the executive committee urged all members to adopt whatever measures necessary to help companies reduce expenses. "If we are going to ask the companies to stay at present commission levels, we must show our good faith by offering to make certain sacrifices in services we demand from them," the committee said.

Jack B. Norris, Hastings, was elected president of the association; John J. Brittan, Alliance, 1st vice-president; and executive committee chairman, Kenneth F. Schenck, Omaha, 2nd vice-president, and Jess Benson, Wymore, secretary-treasurer. Leo J. Beck Jr., Lincoln, was reelected state national director.

O'Brien To Succeed Kelleher In Boston

Robert F. O'Brien has been named manager of the Boston office for Marsh & McLennan. He succeeds Michael T. Kelleher, recently deceased.

Mr. O'Brien graduated from Dartmouth College and after service in the Marines during World War II, joined Marsh & McLennan in 1946.

He was elected a vice-president in 1955 and for the past two years has served as administrative head of the Boston office.

New Handbook Of Michigan Published

A new Underwriters Handbook of Michigan has just been published by the National Underwriter Co. It provides complete and up-to-date information on the agencies, companies, field men, general agents, groups and other organizations affiliated with insurance throughout the state. Copies of the new Michigan Handbook may be obtained from the National Underwriter Co., at 420 East Fourth street, Cincinnati 2, Ohio. Price \$12.50 each.

Pan American Group Promotes Brashears, Diggs, Three Others

Pan American Fire & Casualty and Pan American Ins. Co., have made five



Thomas Diggs



J. W. Brashears

promotions within the executive ranks.

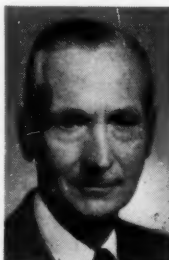
James W. Brashears was named vice-president and agency director and Thomas Diggs, fire manager, was promoted to vice-president. Mr. Brashears joined the companies last year, and Mr. Diggs became a member in 1954.

Three vice-presidents were also promoted to senior vice-president. They are Frank I. McPherson, treasurer and comptroller; Felix L. Elkins, chief underwriter, and Robert L. Harper, general claims manager. All three are also directors of the Pan American group and have been with the organization for many years.

The Pan American group writes fire

Fidelity Losses Continue To Rise, Will Get Worse Before Improving

The fidelity classification (fidelity, forgery and public official risks) has been worsening for five years and will grow even worse before it gets better, W. H. Bennem, vice-president of American Surety told Risk Management Institute, sponsored by Connecticut Assn. of Insurance Agents at University of Connecticut.



W. H. Bennem

Members of the Surety Assn. of America showed a steady increase in earned premiums for five years, from \$45,100,000 in 1952 to \$53,600,000 in 1957, an increase of 18%; while incurred losses increased from \$14,900,000 to \$22,800,000, an increase of 53%. The expense ratio increased during the same period from 57% to 63%, and underwriting results decreased from a gain of 9.5% to a loss of 5.9%. The trend this year continues unfavorable, as evidenced by the figures of his company, he said.

and casualty insurance over a fourteen state area and is in its twentieth year of operation.

For the first nine months, its earned premiums were substantially the same as 1957 while incurred losses increased sharply.

The economic situation has a direct bearing on the worsening experience. Inflation has resulted in a considerable increase in the size of loss and the recession has played its part in causing a greater frequency of loss. Within the month American Surety had reported a loss of \$160,000 caused by a branch office employee of a nationwide concern, and a loss which may reach \$140,000 caused by three employees of a relatively small local concern. On a Saturday night last May a gang of professional burglars entered a branch bank in Canada and after burning through the vault succeeded in making off with money and securities estimated worth \$7 million.

Unless there is a material change in the existing loss trend, business concerns in certain lines of business will be faced with substantial basic rate increases. Experience rating long has applied to most fidelity classifications. This has proved equitable and helpful in that insured having excessive losses have had to pay increased premiums through loss of experience credit. Current figures indicate this procedure

(CONTINUED ON PAGE 25)



A claim man's claim man. That's how F&D's Vernon McNeal is regarded by his contemporaries in St. Louis, where he has been located for the past 27 years. He also rates as a top flight public relations man, because he personally has been responsible for convincing a lot of important people that F&D is deserving of their continued confidence and patronage. He does this simply by the way he handles claims—promptly, fairly and intelligently. You'll find men like Vernon McNeal in every one of F&D's claim offices. They're another good reason why F&D is good to do business with.

Fidelity and Deposit Company

Bonding and Insurance

Baltimore, Maryland

Greenhouse Windshields Need Greenhouse Rates

By Wm. P. HENDERSON

Trying to get automobile manufacturers and automobile insurers together appears to be a fantastic idea. Fantastic is the word because the two industries seem to live in different worlds and on the surface appear to have conflicting interests. In reality, they have one common interest—to serve automobile owners in the best possible manner.

The insurance business collects from automobile owners \$5 billion annually. Thirty percent of that, or \$1½ billion is for repairing people, and 70% or 3½ billion is for repairing automobiles. It wasn't too many years ago that these percentages were in the reverse. The 70%, the \$3½ billion, has been, and is today a constantly increasing percentage as well as an ever increasing amount.

Excluding the item of increasing accident frequency, increasing physical damage repair costs have been the major cause of underwriting losses for the past several years in spite of constant rate increases. It is my opinion, based on sound reasons, that the \$3½ billion is \$1 billion in excess of what it could be.

Need Broad Understanding

If there were a broad understanding at basic levels between the two businesses, if they were familiar with each others' mutual problems, if the insurance business knew more about the product it insures and how it is created and manufactured, and the auto manufacturers in turn were familiar with insurance problems, the result could reduce material damage repair cost in terms of hundreds of millions of dollars. And this could be

The accompanying article by Mr. Henderson is a resume of a talk he made before the members of Michigan Insurance Information Service.

Mr. Henderson is president of Henderson Tire Co. of Detroit. His organization does a large amount of auto glass replacement work. It has been Mr. Henderson's contention in several articles published in The National Underwriter that expensive style changes in automobiles of the frill variety are causing an unjustifiably high loss situation for the insurance companies. His solution is to rate some of these items, especially windshields, according to the additional expense they produce.

done without severe styling changes that would restrict car sales.

I have talked with top automotive officials with these results: One of the major car manufacturers sent top level officials to a large insurance company where they found my arguments substantiated. This manufacturer is now in the process of evaluating ways and means of effecting savings in car repair costs. I had an opportunity to read a preliminary report of another manufacturer entitled "High Insurance Costs Are a Restricting Factor on Car Sales and We Can Do Something About It."

Want Lower Repair Costs

Why are car manufacturers interested? They are convinced they can do a lot of things to reduce repair costs. They want to find out exactly what is necessary. They are also convinced that sooner or later some cars will be charged an extra insurance premium and they are going to be sure it won't be theirs. Many insurance people are convinced prompt equitable rating of expensive features and costly design is the only solution.

This is an evaluation in rough form of how premium requirements may be estimated for new model introduction.

Average windshield values insured in 1957:

Model Year	List Price	Labor	Total	Cars Insured (Millions)	Value Insured (Millions)
1957	\$92	\$17	\$109	3	\$327
1956	89	17	106	6	636
1955	86	17	103	7	721
1954	65	13	78	6	468
1953 & earlier	60	12	72	10	720

The average windshield price, retail installed, is \$90. While insurance companies buy glass at a discount, retail prices are used above to arrive at the percentage of increase. If wholesale prices were used in both cases the percentage increased would be the same.

Average vertical areas exposed for breakage:

Model Year	List Price	Labor	Total	Sq. Feet Insured (Millions)
1957	5.0	3	8	15.0
1956	4.8	6	10.8	28.8
1955	4.7	7	11.7	32.9
1954	4.1	6	10.1	24.6
1953 & earlier	3.9	10	13.9	39.0

The average is 4.4 square feet insured. One of the 1959 twinwraps will cost at retail installed 70% more, a sum of \$153. It will also have a vertical area exposed for breakage of 6.4 square feet, or 45% greater. The cost of insuring is 2.47 times greater.

Insurance companies have established comprehensive loss figures for 1957. Many have or can get loss figures for glass. With a glass figure they can supply the formula 75-22-3, that is 75% paid for windshields, 22% for side windows, 3% for back lights. For a paid glass loss average in 1957

(CONTINUED ON PAGE 19)

Agent Has Key Role In Loss Adjustment

Charles W. Franklin, Baton Rouge attorney, declared that because of staggering losses, companies are holding innumerable internal meeting committees are being formed, and "something called policy" is emerging, varying in size and shape according to company and line of business. He spoke at the annual insurance school of Louisiana Assn. of Insurance Agents at Louisiana State University.

Agents are finding that their facilities for marginal business are shrinking, that they are threatened with reduction of commissions, that their clients can't always obtain coverage and may be inclined to blame the agents, Mr. Franklin said. They are harassed with collection problems now that premiums are higher, he continued, and employ salaries, office expense, and other mounting costs are further problems.

With rising loss ratios, the companies must do all they can to trim expense ratios, and, in order to become more efficient, it is their duty to do so, Mr. Franklin said. Agents expect them to take such action. Some agents have advised companies to look to their own houses, when asked to accept commission cuts.

Investigation Suffers

He said it is not only paradoxical but tragic that reduction in expense ratio presumably implies and does in fact carry with it reduction in claim expense ratio. Loss and claim departments now have less dollars per case to spend to investigate, negotiate, and where necessary, defend.

This is tragic, he continued, because with the number of personal injury cases flooding the dockets of the state and federal courts, with steadily rising judgments and verdicts—not to mention the higher settlements made in fear of such high awards, a company's best protection against any injustice is a well investigated file. This means a thorough examination of the facts by experienced investigators. That procedure keeps a settlement figure down closer to what is reasonable, and in the event the case is one for defense the company has a better chance of winning or of minimizing any adverse verdict, Mr. Franklin declared.

He advised agents not to become adjuncts of the claim departments to help out by doing leg work on liability claims. He said that agents should not touch a third party matter or a workmen's compensation or liability

(CONTINUED ON PAGE 20)

Northern Of N. Y. Plans One For One Stock Distribution

Directors of Northern of New York tentatively have approved a proposal to issue shares to stockholders as a distribution, on a share for share basis, and simultaneously to offer to stockholders rights to subscribe for additional capital stock on the basis of one share for each two held on the date of the stock distribution. The terms of the offer will be determined later by the directors.

It is contemplated that the offering will be underwritten and that the stock distribution and issue of subscription rights will be made late in December or early next January. A special meeting of the stockholders has been called for Dec. 10 to authorize the necessary increase in authorized capital of the company.

Stewart, Smith (Illinois) Inc.

141 WEST JACKSON BOULEVARD
CHICAGO 4, ILL.

consulting brokers
to the insurance industry



LONDON • NEW YORK • CHICAGO • MONTREAL

Role Says Company Officers Don't Know The Score In Adjustment Game

Insurance company executives don't know what is going on in their own companies, Denis M. Hurley, chief counsel for the judicial inquiry into illegal and unethical conduct of lawyers in Kings county, told Brooklyn Insurance Brokers Assn. at its November meeting. This was in answer to one of the brokers who asked why insurance companies were so naive as to allow themselves to be taken to the extent of paying as much as 10 times the actual loss or more. Prominent insurance company executives have expressed great shock at the inquiry's evidence of misconduct and malpractice in settlement of automobile claims, stated Mr. Hurley, "but we have found instances in which the adjusters were on the take and I wonder just how far up the payoff goes?"

Mr. Hurley explained the operation of the inquiry, which is a fact finding body of the appellate division of New York supreme court, with special emphasis on the insurance industry's role in the investigation. It has been going on for nearly two years, and, in Mr. Hurley's opinion will continue for at least that much longer. He told the brokers that the inquiry had uncovered abundant evidence of misconduct among a small segment of the lawyers. He stressed the point that this black mark on the legal profession, in claim and the same applies to the insurance and medical professions, had been put there by a very small number of each.

Files Examples of Misconduct

Mr. Hurley then cited several examples of misconduct in the settlement of automobile claims pointing out the obvious effects these have on the high rates in Brooklyn. A familiar case, he said is collusion between a repair shop operator and a lawyer, in which a motorist brings in a repair job, the repairman arranges to get him a lawyer and the lawyer eventually gets a settlement several times the actual damage, and all parties share in the loot. Other cases along this line show brokers actually referring cases to lawyers and sharing in the proceeds of the exorbitant settlements. In one case, a lawyer and a broker had such a close alliance that they shared an office. Other cases involve collusion between lawyers and adjusters, doctors and others.

Examples of the methods used in putting across these fraudulent claims, Mr. Hurley said, include false or forged statements of damage, statements of witnesses, loss of time statements and medical certificates. In one case, he said, a medical certificate was found to have been "signed" by a doctor nine months after he had died. Another

(Continued on page 20)

Applies Scalpel To Problems In A&S Created By Patient, M. D., Insurers

MEMPHIS—A minority of patients are dishonest or unfair in making or creating claims under medical insurance; a few physicians act in such a way as to result in excessive insurance payments, and some insurer practices and a minority of insurers pose real difficulties for doctors, Dr. John D. Hughes of Memphis, president Memphis & Shelby County Medical Society, told the convention here of Insurers of Tennessee.

On the other hand, he declared, fees provided in A&S coverage for medical attention are shamefully low; the claim blank is needlessly long and complicated; and insurers impose on doctors for an excessive amount of work in connection with claims.

Dr. Hughes was especially critical of the habit of insurance company adjusters of calling doctors' fees excessive.

However, he strongly praised insurance

company development of A&S coverage; he believes the business is at the inception of its development, and he is convinced that any problems that exist in this field can be worked out by closer liaison between doctors and insurers.

In substance, Dr. Hughes said:

Now that the vast majority of Americans have medical insurance on a private basis, the magnitude of their investment alone justifies a discussion in some detail of what steps can be taken to improve the quantity and quality of service which they receive. Common sense has convinced the public that it is wise to insure against illness, as well as against fire or losses of other kinds. But common sense likewise says that insurers and physicians ought to and can improve medical insurance.

Physicians as well as insurers deserve an accolade for helping to de-

velop medical insurance and for continuing to encourage the purchase of it from reputable companies.

Insurers and physicians are partners in originating, developing, and seeking to administer fairly this extremely important form of insurance; and they should confer frequently and frankly.

Three parties are involved in this type of protection—patients, doctor, and insurer. Each has his rights and around each certain difficulties were bound to develop. Yet none is insoluble.

Perhaps the patient has posed the greatest number of problems. Too often he has not really read his policy in detail and contends that he deserves certain benefits which the contract specifically excludes. I always insist on the patient allowing me to read his entire policy whenever he complains

(Continued on page 37)

Greetings—Indiana Association of Insurance Agents

AT YOUR

60th ANNUAL CONVENTION

Automobile



Burglary



Casualty



Fire



Inland Marine



Plate Glass



Compensation



Homeowners

We appreciate the opportunity to share in your convention and invite you to visit us in our suite at the hotel, and in our offices.

Again it is our real pleasure to be hosts to all ladies at the convention in the exclusive Ladies' Lounge in the Louis XIV and Empire Rooms.

INDIANA INSURANCE COMPANY CONSOLIDATED INSURANCE COMPANY

Consolidated Building

115 N. PENNSYLVANIA ST.

Indianapolis, Indiana

MERCHANDISING

... Is your Company adjusting its sales plans to changing needs? Special report available to executives.

CONSULTANTS

IN MARKETING AND MANAGEMENT FOR THE INSURANCE BUSINESS

FRANK LANG & ASSOCIATES
521 Fifth Avenue
NEW YORK 17, N. Y. One North LaSalle St.
CHICAGO 2, ILLINOIS

Buyers Conference In Cincinnati, Jan. 28

More than 350 buyers from Ohio, Kentucky, and Indiana are expected to attend an "All Day Insurance Buyers Conference" sponsored by the Cincinnati chapter of American Society of Insurance Management, to be held Jan. 28, at the Netherland-Hilton Hotel in Cincinnati. The program will begin at 8:45 a.m. and continue until 4:30 p.m. The two-fold conference theme—"State vs Federal Regulations"

and "Functioning and Operation of Rating Bureaus" will be developed during the program.

Speakers include: A. J. Haber, Procter & Gamble Co., Cincinnati, president of the Cincinnati chapter, Edward P. Folley, Johnson & Higgins, New York; William G. Werner, Procter & Gamble Co.; Philip E. Benjamin, Towers, Perrin, Forster & Crosby; and Mrs. L. M. Clore, general chairman of the conference. Conference moderators from Cincinnati include Charles H. Thiele, Federated Department Stores; A. L. Benjamin, Cincinnati Gas

& Electric Co.; and W. T. McWhorter, Procter & Gamble Co. R. S. Hayden, Armco Steel Corp., Middletown, O., will also serve as a moderator. Panel members include H. Clay Johnson, Royal; Commissioner Joseph A. Navarre of Michigan; Commissioner Arthur I. Vorys, of Ohio; Casimir Z. Greenley, International Minerals & Chemical Corp., Chicago; William Leslie Jr., National Bureau of Casualty Underwriters; Paul W. Jerome, Aetna Fire; K. W. Parker, Western Actuarial Bureau; and C. Henry Austin, Standard Oil of Indiana.

Mass. Agents Elect Dunn President

Massachusetts Assn. of Insurance Agents at its annual meeting in Boston elected C. E. Dunn of Fitchburg president, F. W. Phelan of Cambridge and Edgar S. Cook of Weymouth vice-presidents, R. G. Dowling of Hyannis state national director (reelected), and A. E. Bouvier of Southbridge a director.

Mr. Cook in his address advised more thinking and less ill-considered running away from the problems that face the agency system. Too much action has been taken by insurers on an emergency basis. They have sought to influence the result rather than remove the cause, yet almost without exception the action has failed permanently to reduce the problem.

Agents, Companies Are Partners

He urged insurers to look on agents as partners and get their assistance in helping solve company problems. Companies should not be regarded as naughty school boys.

The independent agency, Mr. Cook declared, must expand its forces, become departmentalized with a vigorous sales force to eliminate the sales vacuum into which the direct writers have been drawn for their field day. In meeting competition more thinking should be done before new forms of coverage are introduced. Multiplicity of change confuses the buyers and breaks down public confidence, he said. Changes ought to be made carefully and in relation to the potential market, chances for profit, and saleability.

Mr. Cook is optimistic about the future. He believes if the independent agents get out and sell, they can meet any competition around.

Taxes and costs were discussed by E. Wallace Pyne, Cambridge accountant. If the agent spends \$1,000 a year on travel and entertainment, but can't prove the deduction, his out-of-pocket loss will be a minimum \$200. To overcome this problem, he suggested the agent submit an expense report weekly to his bookkeeper and reimburse himself for the expenditure.

Deduction Of Home Expense

The agent who uses his home for work has a tax deduction, he said. An agent with a six room house who uses one room as an office can deduct an expense one-sixth of the expenses of the home such as taxes, rent, depreciation, utilities and general household maintenance. Annual depreciation allowance runs to about 4% of the property value, he said.

He urged the use of modern record-keeping methods to reduce overhead. One agency, for example, added \$50,000 in premium volume to its current \$250,000 volume without increasing its office staff, which consists of two full time girls, one of whom spends about half her time on bookkeeping.

Recent changes in federal tax laws permitting the small corporation to be taxed as a partnership has brought about many tax advantages for owners of closely held corporations, Mr. Pyne pointed out.

Thompson Lawyers Surety V-P

A. D. Thompson has been elected vice-president of Lawyers Surety of Dallas. He has been for seven years bond manager of Floyd West & Co. general agency, and before that was with the Texas department as assistant director of the bond and burglary section.

REMINDER to 100,000,000 people

This month the America Fore Loyalty Group alerts 100 million readers of national magazines to the need for adequate insurance—and the importance of the services of the independent agent.



We're worth a lot more than we thought!

You'll be amazed at the value of what you own when you add up the many new things you've bought over the years—TV set, appliances, furniture and other items.

You may also be amazed to find that the amount of insurance you carry is far less than it should be to protect you and be sure you're properly protected, America Fore Loyalty Group will be happy to send you a free copy of its new INVENTORY BOOK.

To help you know how much you own and be sure you're properly protected, America Fore Loyalty Group will be happy to send you a free copy of its new INVENTORY BOOK. When you compare the total value of your possessions to the insurance protection you carry, you may discover, as most persons do, that you are under-insured. If so, get in touch with your local independent insurance agent immediately. He can make sure that you have adequate protection.

Remember a good inventory is a valuable record in case of loss. Mail the coupon TODAY! You'll be glad you did.

For the name of a nearby America Fore Loyalty Group insurance agent, call Western Union by number and ask for Operator 25.

Send for our FREE inventory booklet!

AMERICA FORE LOYALTY GROUP
Department 9
80 Madison Lane,
New York 38, N.Y.

Gentlemen: Please send me, without obligation, a copy of the booklet "Inventory of Our Household and Personal Possessions."

Name _____
Address _____
City _____ State _____
Zip _____

America Fore Loyalty Group

THE CONTINENTAL INSURANCE COMPANY • FIDELITY-PHENIX FIRE INSURANCE COMPANY • FIREMEN'S INSURANCE COMPANY OF NEWARK, N. J.
NATIONAL FIRE INSURANCE COMPANY • THE FIDELITY AND CASUALTY COMPANY OF NEW YORK • NATIONAL BUREAU OF FIRE INSURANCE COMPANY
COMMERCIAL INSURANCE COMPANY OF NEWARK • THE METROPOLITAN CASUALTY INSURANCE CO. OF N. Y. • MILWAUKEE INSURANCE COMPANY
ROYAL GENERAL INSURANCE COMPANY OF CANADA

Now Appearing In:

- ★ THE SATURDAY EVENING POST
- ★ LIFE
- ★ TIME
- ★ NEWSWEEK
- ★ NATIONAL GEOGRAPHIC
- ★ READER'S DIGEST

Insurance
in Bos-
Fitchburg
Cambridge
with vice-
Hyannis
ted), and
a direc-

advised
considered
ems that
much as-
ers on an
sought to
than re-
without
iled per-
m.

rs

on agen-
stance in
ms. Com-
arded a

Mr. Coe
rces, be-
a vigor-
the sales
t written
ield day
e think-
ew form-
Multipli-
yers and
ence, he
ide care-
potential
nd sale-

t the fu-
ependent
can meet

ussed by
account-
0 a year
but can't
of-pocket
To over-
ested the
rt week-
eimburs-

ome for
said. An
who uses
educt as
enses of
depreci-
household
ation al-
the prop-

record-
verhead.
ed \$50-
current
increasing
s of two
spends
keeping.
tax laws
on to be
brought
or own-
ons, Mr.

V-P
elected
urety of
en years
t & Co.
that was
s assist-
burglary

INSUREMANSHIP:

$$1 \div 10 = 11$$



■ Our Mr. Za makes his own rules of mathematics. He also makes money. His text—our new concept of insurance selling—Insuremanship*.

Mr. Za puts this basic idea to work on every call. He makes more sales—has more income.

Naturally, Zurich-American service facilities are made to order for Insuremanship. Or vice versa.

On the chance you might be interested, we wrote a booklet about Insuremanship. Tells how to make more sales per call. Just ask for one. We'll gladly oblige.

ZURICH INSURANCE COMPANY
ZURICH LIFE INSURANCE COMPANY
AMERICAN GUARANTEE AND LIABILITY INSURANCE COMPANY
135 South LaSalle Street, Chicago 3, Illinois
HEAD OFFICE and MIDWEST DEPARTMENT: Chicago. EASTERN DEPARTMENT: New York. BRANCH OFFICES: Buffalo, New Haven, Philadelphia, Pittsburgh, Atlanta, Cleveland, Detroit, Grand Rapids, Minneapolis-St. Paul, Milwaukee, Jackson, Dallas, Kansas City, Denver, Los Angeles, San Francisco, Seattle. SERVICE OFFICES: Boston, Providence, Albany, Amsterdam, Tarrytown, Orange, Baltimore, Charleston, Savannah, Canton, Traverse City, St. Louis, Phoenix, Fresno, Sacramento, Portland.

*TM ©1958 Zurich-American Insurance Companies

Kemper Attorneys Oppose Md. UJF Law

Attorneys for Lumbermens Mutual Casualty, Allied American Mutual Fire, and four automobile and truck fleet owners attacked the constitutionality of Maryland's UJF law in a circuit court hearing at Baltimore. The law becomes fully effective next year when about \$1.5 million from special fees of \$1 on insured and \$8 on uninsured motorists will be added to the fund.

The fund will also be increased next spring by an assessment of one-half of 1% of Maryland premiums written by automobile liability insurers. Thereafter, they may be assessed up to 10% of any deficiencies in the fund, with uninsured motorists bearing the brunt of the deficiency.

Counsel for the state contended that the fund was a compromise between compulsory insurance and damage reimbursement proposals adopted to correct the uninsured motorist evil. They said that insurers have the choice of paying assessments and assuming duties imposed by the law

or withdrawing from the state. Under the law, insurers may be asked to investigate and defend claims against the fund.

Attorneys for insurers argued that these duties force insurers into illegal practice of law for clients in whom they have no interest. Uninsured motorists will be represented by lawyers they have not chosen, they said. They contended that assessments on companies amount to taking property without due process of law and that the UJF law impairs insurance contracts by banning subrogation rights.

Good Nine Months For Employers Reinsurance

Employers Reinsurance in the first nine months had an underwriting gain of \$1,387,784 on net premiums of \$22,986,838. Investment earnings increased from \$1,111,400 in the first three-quarters of 1957 to \$1,273,391 this year. Earnings were \$1,809,316, equal to \$3.02 a share against \$2.86 a share the year before. Surplus of \$16,688,123 was a gain of \$2,618,454 from Dec. 31.

N.J. A&H Assn. Sales Rally Has Full Agenda

Several sales experts presented an inspiration-packed program at the one-day sales congress of the New Jersey Assn. of A&H Underwriters in Newark last week. Addresses by Travis T. Wallace of Great American Reserve, president of Health Insurance Assn.; James L. Carrier, assistant agency vice-president Monarch Life, and Sayre MacLeod, vice-president Prudential, plus a four-man sales panel, rounded out the event which included an afternoon session, a reception in the evening and a dinner meeting. Co-chairmen were William B. Cornett, director A&S Prudential, and George E. Lehman, National A.&H.

Mr. Wallace, in his discussion on components and the presentation of the effective sales talk, dealt with the five important parts of the sales talk: Effective approach to secure an interview under favorable conditions; building prestige through confidence in the company or salesman; fixing the problem, because if there is no problem there is no sale; offering the solution in the program offered; a powerful close, preferably based upon implied consent.

Mr. Carrier related some case histories in his experience of the vital need for A&S and suggested that producers develop similar examples. "You don't approach the prospect with the thought that you are going to sell him a vacuum cleaner. You approach him with the thought that you hold his destiny in the palm of your hand."

The federal government, Mr. MacLeod warned, continues to increase its distribution of socialized protection with piece-meal benefits that open the way to compulsory health insurance. He cited the federalized hospitalization in Canada and warned that only one-third of the U. S. health bill is covered by health insurance and that less than one-half of the retired people have protection.

Eston V. Whelchel, Provident L.&A., Newark, was moderator of the four-man sales panel consisting of: Harry J. Tiedeck, general agent Loyal Protective, Philadelphia; Glenn O. Mulvey, director A&S sales Mutual of New York; W. Harold Petersen, superintendent of agencies American United Life, and Howard Coron, district manager Mutual Benefit H. & A. and United Benefit, Canton, O.

Mr. Tiedeck emphasized the necessity of good prospecting. Every successful interview, said Mr. Mulvey, is the solution of small problems rather than the solution of one big problem, and the first of the problems is the approach in selling the interview. Mr. Petersen, who is also managing director of DITC, told the meeting "how to sell by the book," meaning the DITC training course. He has developed a successful sales track with the aid of visual material in the training course.

Mr. Coron, in his discussion of the closing, said about 90% of the people an agent sees hate to say "yes" and hate to say "no." They love to say "maybe." Closing, he explained, is merely a method of making a man say quite quickly either yes or no. A good closer doesn't try to sell everyone. If a sale takes too much effort and too much time, it costs the agent too much money, so a good closer removes himself quickly. "Closing sins are sins of omission, not sins of commission. The problem is not what the salesman does not know. It is, rather, what he does not do."

Service Group Elects Schoelzel President

Charles W. Schoelzel Jr. of Van Schaack & Co., Denver, was elected president of Insurance Service Assn. at the annual meeting at Rancho Santa Fe, Cal. Donald B. Davidson of Robert N. Bowen & Associates, Indianapolis, was named vice-president and treasurer, and Charles C. Counselman Jr. of Riggs-Warfield-Roloson Inc., Baltimore, secretary.

The following regional vice-presidents in charge of the production program were elected: Northeastern—Francis J. Ryan of Despard & Co., New York; southeastern—Jack E. Cay Jr. of Palmer & Cay, Savannah; north central—Jack B. John of W. F. Ryan Corp., Cleveland; south central—W. F. Rector of Rector, Means & Rowland, Little Rock; California-western—Richard Wright of Trans Western Brokers, San Francisco; and Canadian—E. C. Ryan Jr. of Winnipeg. Mr. Ryan, Mr. Cay, Mr. Rector and Arthur Weaver of Lincoln, Neb., were named directors.

Joseph Parrett, Carnation Co., president of American Society of Insurance Management, was guest speaker.

Higbie Joins Munich Re

Munich Management Corp. has appointed John K. Higbie as treasurer.

Mr. Higbie joins the Munich Re organization after many years of association with Joseph Froggatt & Co., as a supervising accountant and manager of the Newark branch office. In his new post, Mr. Higbie will be responsible for internal management and accounting procedures.

Thayer Heads New Office Of Standard Accident In Ky.

Standard Accident has opened an office at Louisville as a unit of its branch at Cincinnati. William A. Thayer, recently appointed field representative at Cincinnati, will be in charge. He joined the company last month after having been in the business since 1937, starting with Employers Liability, later serving with Massachusetts Bonding and Security of New Haven. He became special agent of Security at Louisville in 1950 and subsequently was assistant branch manager until going with Standard Accident.

General Of Seattle Promotes Anderson At Salt Lake

Richard L. Anderson has been promoted to manager at Salt Lake City for General of Seattle. He joined General in 1953 in Salt Lake, advancing through the ranks until he became administrative manager in 1956.

Tennessee CPCUs Elect

The Mid-Tennessee chapter of CPCU at a meeting in Nashville elected William E. Booth, Cherokee, Nashville, president. Other new officers are: Rufus Ross, Columbia, vice-president; C. M. Hunt, Nashville, secretary, and Samuel C. Loventhal, Nashville, treasurer.

Watch for the man with . . .

"THE BUFFALO PLAN"



"LET'S TALK ABOUT SERVICE"

BUFFALO PLAN envelope drafts enable Agents to make immediate payment of all small first party losses. Results have fully justified this confidence in our Agents. More than 25% of our losses are now being paid by Agents using the envelope draft system.

ENVELOPE DRAFTS have these important advantages:

- (1) Your clients get extra service because there is no waiting for their money.
- (2) You reduce agency expense with the elimination of claim correspondence and follow up.
- (3) You gain stature and prestige in your community and a reputation for outstanding service.

We are interested in Agents who need this service and the other modern ideas in "THE BUFFALO PLAN". Mail the coupon for details.

BUFFALO INSURANCE COMPANY
220 Delaware Avenue, Buffalo 2, New York



Buffalo Insurance Company, 220 Delaware Avenue, Buffalo 2, N. Y.

I'm interested in providing better coverages and improved services.

Please send, without obligation, a copy of "The High Road" which explains "THE BUFFALO PLAN"

Name _____ Agency _____
Street _____ City, Zone, State _____

Western Loss Assn. Elects Devroye

Western Loss Assn. at its recent annual meeting elected A. M. Devroye of Millers National, president to succeed F. W. Robertson of Factory Association. R. C. Schoewe, Sun, is vice-president; W. J. McCarren, Hartford Fire, secretary - treasurer, and James Fegan, Travelers, assistant secretary.



A. M. Devroye

Speakers at the meeting were Percy Brown Jr., Louisville attorney, whose subject was recent federal court changes in rules and the validity of non-waiver agreements; F. C. Reynolds, general adjuster of Western Adjustment, who discussed loss trends in the Chicago area, and Herbert W. Hirsh of Clausen, Hirsh, Miller & Gorman of Chicago, who talked on "Relating the Loss to Value on Building Losses When Dealing with the Coinsurance Clause." Elaboration on this subject was offered by George M. Blum of George M. Blum Associates, Chicago independent adjusters, who took up the adjuster's viewpoint.

Reports Discriminatory Waiver Of Contract Bond

Surety Assn. of America, which has been studying cases where bid bonds are required but performance bonds are waived on either public or private projects, has reported that several public authorities in the east are following this discriminatory practice. However, the practice has been spotty elsewhere in the country.

This was reported in a bulletin to its member companies by Chicago Surety Underwriters Assn., which also disclosed a case in which a Decatur, Ill., architect firm has been "separating the so-called good contractors from the bad ones" by seeing that those qualifying for the bid bond were considered to be "good" contractors, thus voiding the need for the performance bond.

Lewis Joins Combined

Minchin G. Lewis has been appointed manager of the newly organized resident agents division of the disability department of Combined of Chicago. He was formerly with the railroad department of Pacific Mutual Life.

Mich. Mutual Agents Elect Venema President

Charles J. Venema, Kalamazoo, was elected president of Michigan Assn. of Mutual Insurance Agents at their annual convention in Grand Rapids. He succeeds A. H. Kiebler, East Lansing.

Other new officers are: Vice-president, Ronald DeKuiper, Fremont; treasurer, Morris DeFour, Grosse Pointe Woods; secretary (re-elected), Donald F. Schriber, Grand Rapids; director, Harold J. Gelderloos, Grand Rapids.

Specialized education in the insurance field and "getting back to selling" were stressed as two of five major requirements for success in the agency field by Henry Bean, Haddonfield, N. J., president of National Assn. of Mutual Insurance Agents, in a talk before the 400 persons attending the event. Other essentials, he said, are maintaining the "best possible" reputation in the community, willingness to give service, and practice of sound public relations techniques.

W. H. Rodda, Chicago, secretary of Transportation Rating Bureau, revealed that a new homeowners' policy is to be filed with the Michigan department within 30 days.

Mass. Agents Oppose \$100 Wind Deductible

The Massachusetts Assn. of Insurance Agents at its recent annual meeting adopted a resolution opposing an increase in the windstorm deductible on EC to \$100. Liberty Mutual's proposal for an optional \$100 deductible with a 25% saving in the EC rate of 30 cents for the present mandatory \$50 deductible is now being studied by the Massachusetts department.

Mr. Cook, who proposed the resolution, said that companies and bankers who testified at department hearings that the public favors the higher deductible do not contact customers as do the agents. Too many changes upset public confidence, he said, and also distort statistics.

Fireman's Fund Names Dingman Oakland Claims Superintendent

William P. Dingman has been appointed claims superintendent for the Oakland office of Fireman's Fund. He succeeds Daniel J. Rourke, who has been transferred to the Fund's office in San Francisco.

Mr. Dingman entered the claims field in 1946 and joined the organization as an outside adjuster. In May 1957, he was made a claims supervisor.



This past year, you've seen the RELIANCE FIELDMAN in every sort of situation, from tripping a burglar to dousing the fires of would-be junior rocketeers.

Some of these, of course, have been pretty far afield, but after the fun's over we hope we've left a serious—and important—thought with you. It's this: You can rely on your RELIANCE FIELDMAN, in every circumstance, for the sort of friendly, willing and professional assistance that means better and more profitable business for your Agency, and ourselves.

Keep him in mind, won't you?



RELIANCE INSURANCE COMPANY

401 Walnut Street, Philadelphia 6, Pa.

Symbol of American Insurance integrity since 1817

Underwriters at Lloyd's, London

Malpractice
Personal Accident
Liquor Liability
Fire and Allied Lines
Excess Motor Truck Cargo
Errors and Omissions
Excess Liability
False Arrest
Livestock

Vickery, Hoyt and Graham, Inc.

141 West Jackson Boulevard
Chicago 4, Illinois
Wabash 2-2862

Traffic Deaths For Sept. Down 1%

A 1% drop in September traffic deaths from the same month last year was reported by the National Safety Council. Despite the September slowdown in improvement, the traffic death toll for the nation at the end of nine months still was 6% below the same date last year—26,180 in 1958 against 27,770 in 1957.

The council estimated that traffic

accidents in the first nine months of 1958 brought disabling injuries to about 900,000 persons.

The highway death total for September was 3,300, as compared with 3,330 for September last year.

September was the 13th month in a row and the 21st in the last 22 to show a drop in traffic deaths from the same months of the year before. The only lapse in the long period of steady improvement came in August of 1957. The downward trend began in December of 1956.

IAAHU Picks Two; Sets Meeting Site

Appointment of two new members to the International Assn. of A&H Underwriters executive board, selection of a 1960 convention site and a proposal for a new billing procedure were approved by the IAAHU executive board at its recent meeting at the Conrad Hilton in Chicago.

New executive board members are Fred Van Urk, United Benefit Life,

Philadelphia, replacing Webster Hiley, Bankers L.&C., New York and Ernest E. Craig, Washington National, Washington, D. C., replacing St. George Grinnan, Richmond, Va.

Milwaukee was selected as the site for the 1960 convention. The 1959 annual meeting will be in French Lick, Ind., June 14-17.

The board authorized its headquarters to bill dues direct to each member. Records of the billing would be sent to local association officers for follow-up purposes. Where local associations ratify the change, the new billing procedures will be initiated and any new associations will be organized under the new system.

Deeds, GAB Adjuster At Denver, Retires

Paul J. Deeds, general adjuster at Denver for General Adjustment Bureau since 1950, has retired. He joined the bureau in 1918 as adjuster, and after several years with Home and Webster & Deeds adjusters in Denver, in 1931 went with Fire Companies Adjustment Bureau, parent organization of General Adjustment. He has been at the Denver office since then.

Interstate Group Has Service For Transferees

Insurance Service Assn. has introduced "Operation Longhaul" service to their national accounts. The plan, to assist the transferee of a corporation to relocate in a new territory, is the original idea of Donald B. Davidson of Robert N. Bowen & Associates, Indianapolis, who is treasurer of the nationwide association.

Dorsett Will Be Guest Speaker

J. Dewey Dorsett, general manager of Assn. of Casualty and Surety Companies, will be guest speaker at the All-Industry luncheon and regional conferment meeting of the Virginia chapter of CPCU November 25, in Richmond, Va. Three Virginians will receive conferment of the designation at the meeting: David C. Landin, Richmond; Frazer Y. Thornley, Petersburg, and Gardner W. Bond Jr., Bedford.

American Surety has elected Maurice S. Benjamin and D. J. St. Germain trustees. Mr. Benjamin is the founder and senior partner of the investment firm of Benjamin, Hill & Co., New York. Mr. St. Germain is president and founder of D. J. St. Germain & Co., Springfield, Mass., specialists in bank and insurance stocks.

Let us be Thankful

We in America today are truly thankful that ours is a land of plenty! As we once more celebrate a national holiday in the traditional manner, we become increasingly conscious of privileges that have come to mean "The American Way of Life." ¶ The course of events in other nations has stirred us into realization of responsibilities as well as privileges! Each of us has a job to do in maintaining our advantages, and each of us must pay for them in honest toil of mind and body. ¶ Insurance agents have been quick to contribute their efforts by advocating adequate protection for American homes and industries. Their job of safeguarding the country against unforeseen catastrophes is closely woven into the fabric of national security. ¶ Crum & Forster companies are offering agents every possible cooperation in this enormous task!



CRUM & FORSTER GROUP

of Insurance Companies

CASUALTY • FIRE • MARINE • SURETY

UNITED STATES FIRE INSURANCE CO. Organized 1824

THE NORTH RIVER INSURANCE CO. Organized 1822 THE WESTERN ASSURANCE CO., U. S. Branch Incorporated 1851

WESTCHESTER FIRE INSURANCE CO. Organized 1837 THE BRITISH AMERICA ASSURANCE CO., U. S. Branch Incorporated 1833

110 WILLIAM STREET • NEW YORK 38, NEW YORK

WESTERN DEPT., FREEPORT, ILL. • PACIFIC DEPT., SAN FRANCISCO • SOUTHERN DEPT., ATLANTA • ALLEGHENY-OHIO DEPT., PITTSBURGH • VIRGINIA-CAROLINAS DEPT., DURHAM, N. C.



The positive approach
to

The London market

**LUMLEY,
DENNANT, &
COMPANY, INC.**

New York

Hartford



Baltimore
with affiliated offices at

LLOYDS

&

THROUGHOUT THE WORLD



IT CAN BE
Beautiful business
FOR YOU, TOO!

Beauty shops are growing more numerous every day. Most of them are doing a flourishing business. And there is not a single one that should operate without the *right kind* of insurance protection.

This is relatively easy business to get—if you go after it as The Man With The Plan. As such, you can offer tailor-made coverage that includes malpractices, products liability and premises liability. Furthermore, The Employers' Group is the only company that has specialized claim supervision. This involves not only handling of damages but operates to help protect the beauty shop's professional reputation.

You will be supplied with complete sales aids to make solicitation simple. Once you write a policy your customer gets complimentary safety bulletins periodically. Needless to say, such contacts often open up other opportunities.

BE
*The Man
with
the Plan*
FOR
BEAUTY
BUSINESS

Contact your
local Employers'
Group office or
The Hairdressers' Agency, Inc., 175
William Street, New York 38, N. Y.

**Hairdressers'
Agency Inc.**

175 William Street, New York 38, New York

THE **Employers' Group**
INSURANCE **EG** COMPANIES

Fire, Casualty and Marine Insurance, Fidelity and Surety Bonds

110 MILK STREET, BOSTON 7, MASSACHUSETTS

THE EMPLOYERS' LIABILITY ASSURANCE CORP., LTD. • THE EMPLOYERS' FIRE INSURANCE CO.
AMERICAN EMPLOYERS' INSURANCE CO. • THE HALIFAX INSURANCE CO. OF MASS.

N. Y. Surety Men Elect Conrath President

Guy E. Conrath of American was elected president of Surety Underwriters' Assn. of New York City at the annual meeting, to succeed William J. Flaherty of Aetna Casualty. Thomas T. Carmick of Fireman's Fund was elected vice-president, and James P. Casey of Maryland Casualty, secretary-treasurer.

Named to the executive committee were A. E. Usher of Standard Accident, George K. Sneden of Spring-

field F.&M., Michael A. Verdrose of Great American Indemnity, and Audley A. Davis of Maryland Casualty.

Seek UJF In D. C.

Assn. of Claimants' Attorneys of Washington, D. C., has endorsed a bill that would set up a \$625,000 fund for victims of uninsured drivers unable to satisfy claims or judgments against them. The bill proposes payment into the fund of \$1 by insured motorists, \$10 by uninsured motorists, and 5% of auto liability premiums by insurers.

Bunyan To Marine Post In Royal-Globe

Royal-Globe has transferred George H. Bunyan to its marine operations and appointed him an assistant marine manager. He will have executive duties in association with W. H. Curwen, deputy marine manager, G. A. Bernard, marine secretary, C. H. Pedersen and J. G. Romans, assistant marine managers.

Mr. Bunyan joined the group in San Francisco in 1934. He served as inland marine representative at Los Angeles and assistant inland marine superintendent at San Francisco, and in 1945 became manager of the marine department in San Francisco. He served as agency secretary in the Pacific department with general executive duties including assisting in the supervising of the marine department. For 1½ years he has had administrative charge of production planning and research in New York as secretary of all the companies of the group.

Kircher Joins National In Indiana Field

G. J. Kircher has been appointed special agent in Indiana for National Fire. Mr. Kircher was with Indiana Rating Bureau and traveled Indiana for several stock companies before joining National. He will be associated with manager E. P. Ressler, associate state agent R. F. Lukes, and special agent J. D. Pinegar in the office at Indianapolis.

Commercial Car Revisions Set In Four Jurisdictions

Commercial car and division 1 garage liability rates have been revised by National Bureau of Casualty Underwriters, effective Nov. 12, in Maine, South Carolina, Vermont and District of Columbia. The revisions produce a 6.8% increase in commercial car BI and PDL rates in Maine, an 11.7% decrease in South Carolina, a 19% increase in Vermont, and a 6.4% increase in D. C.

The garage rate changes are increases of 4.8% in South Carolina and 19.7% in Vermont, and decreases of 14.8% in Maine and 2.5% in D. C.

Directors of Traders & General have declared a quarterly cash dividend of 25 cents payable Nov. 4 to stock of record Oct. 28.

Fred Hale has purchased the Ray Cooper Insurance agency, Bend, Ore. He has been with the agency for 10 years.

Expect 500 For Mutual Engineering Rally At Boston

More than 500 underwriters and engineers will meet Nov. 17-20 at Boston for the annual Mutual Insurance Technical Conference sponsored by Federation of Mutual Fire Companies, Mutual Insurance Advisory Assn., Mutual Insurance Rating Bureau, and Transportation Insurance Rating Bureau. There will be joint sessions of representatives of all four organizations on the first three mornings, with other separate sessions devoted to property and casualty insurance subjects.

Luncheon speaker on Nov. 17 will be Dr. Ralph H. Blanchard, Columbia University emeritus professor of insurance.

Future prospects in the property-casualty insurance field will be analyzed at the opening joint session by S. Bruce Black, chairman of Liberty Mutual.

Speakers on the automobile liability situation on Nov. 18 will be Paul S. Wise, legislative department manager American Mutual Insurance Alliance, Dr. Hans Zeisel, of the University of Chicago law school, and Joseph M. Muir, general manager MIREB.

Speakers at the Wednesday joint session will be: R. K. Fowler, assistant vice-president Indiana Lumbermens Mutual; J. A. Babb, assistant vice-president Michigan Mutual Liability; R. M. Dougherty, vice-president Federated Mutual Implement & Hardware; and Kermit Hill, vice-president American Manufacturers Mutual.

Speed Presidential Action

In a meeting at West Palm Beach to speed reorganization, shareholders of Presidential named a seven man temporary operating committee and turned in proxies for election of new officers.

John S. Ripandelli, an aide to Commissioner Larson, told the meeting that the department does not consider the firm insolvent but merely impaired, since it has enough assets to meet current obligations. It has not been writing business for a year.

Chicago Fire Engineers To Meet

Wayne Swanson, chief of the Rockford, Ill., fire department, will speak at the Nov. 18 luncheon of the Chicago chapter of Society of Fire Protection Engineers. As a representative of International Assn. of Fire Chiefs, Chief Swanson toured 13 countries in Europe, and he will report on his observations of fire protection there.

So New—So Different— You've NEVER Seen a Hospital Policy Like This One!

American Casualty's NEW PROTECTOR HOSPITAL POLICY

- ① **WILL NOT BE CANCELLED** because of deterioration of health!
- ② **NO LIMIT** to the number of days of hospital confinement!
- ③ **90-DAY NURSING HOME** benefit!
- ④ **GREATLY IMPROVED SURGICAL SCHEDULE** that includes Dental Coverage!
- ⑤ **OUT-PATIENT TREATMENT** benefit includes not only first aid but other costly out-patient services not previously covered!

PLUS these maximum benefits:

- \$25** Daily Hospital Room and board
- \$500** Hospital General Expense
- \$500** Surgical Schedule

Check the list again. Don't you agree that you have NEVER seen so many new and unusual features combined in one Hospital Policy? It's the finest Hospitalization program ever offered by the American Casualty Company... quality from start to finish... with the realistic limits your policyholders need today. May we send complete information? Just fill in and mail the coupon.



AMERICAN CASUALTY

COAST-TO-COAST BRANCH OFFICE SERVICE
HOME OFFICE: READING, PENNSYLVANIA

AMERICAN CASUALTY CO., Reading, Pa.

Please send information kit on the NEW PROTECTOR HOSPITAL POLICY.

Name _____

Address _____

City and State _____

Correspondents of

Lloyd's, London

Banker's Extra Expense Insurance
New Lloyd's All Risk Form

H. Wm. SADLER & CO.

175 W. Jackson Blvd.
WABash 2-7681

Chicago 4, Ill.
Cable - Sadlerco

TWX CG 1659

Sweeping Reforms Asked In Indiana A&S Probe Report

A sweeping series of recommendations for reforms in the field of hospitalization insurance operations in Indiana is contained in the final report of the joint legislative committee which has been investigating the business in the state the past 18 months. The report, which goes to the legislative advisory committee, was approved in a final session of the investigating committee.

Most explosive of the recommendations in the report is to outlaw exclusive contracts or agreements between insurers and hospitals receiving any tax support, direct or indirect. The prohibition would, of course, sharply affect Blue Cross operations.

In view of the elections last week, observers forecast a fight if the report recommendation on hospital contracts becomes a bill. The elections carried in one legislator with Blue Cross connections and many others heavily supported by labor, which, though often critical of Blue Cross operations, generally supports the plans.

A fifth of the 20-page report was devoted to Blue Cross. The Indiana department is adjured to give special study to the practice of Blue Cross in terminating benefits on cases in progress when a group is terminated. Castigated are Blue Cross rate-making practices, "open-end indemnity" contracts, proxies made a part of the application, domination of the Blue Cross board by hospital administrators and physicians, and the alleged "zeal" of some of its sales representatives

in putting pressure on hospitals that causes them to favor Blue Cross patients and to make statements that put other insurers in "an unfavorable light."

Finally, the report recommends that Blue Cross "should be disassociated from hospitals as much as any other insurance company."

Legislation called for in the report covers a number of items:

A "minimum standards for policy contracts" law, which, it is understood, is a compromise recommendation in lieu of a standard policy law similar to standard fire insurance contracts.

A new agents' licensing law, setting up three classes to replace the present "life only" and "other than life." New classes would be "life only," "life and A&S," "credit life and A&S," and "property-casualty including A&S." Further the proposed revision would include a departmental examination for a life license, not now required.

Relieving the buyer of liability in rebate cases to free him to testify against the agent.

Extending to 60 days the period in which the insurance department may disapprove a new policy form.

Appointment of a permanent joint legislative committee to conduct a constant study of all insurance operations in the state.

Setting up a four-man advisory committee to the commissioner.

The report also makes a number of recommendations not calling for legislation:

The department is urged to "scrutinize with great care" any policy or company using a pre-existing condition clause, to "vigorously control" crew solicitation, and to work to bring

Bjorgo Promoted In West By L.&L.

Orville G. Bjorgo has been appointed assistant manager in the western department of London & Lancashire. He has been with L.&L. since 1927. He was appointed southern Minnesota and northern Iowa state agent in 1938, and later his territory was enlarged to take in South Dakota.

In 1950, Mr. Bjorgo went to Chicago as city superintendent, advancing to agency superintendent in 1956.

As assistant manager he succeeds C. E. Stiehl, who has moved up to western manager, succeeding Charles Dox, who has gone to the U. S. head office.

about the adoption of uniform claim forms.

The employment of a departmental actuary who is at least an associate of Society of Actuaries and of a policy analyst specialist.

A survey of the duties of the department by a "responsible state body" to establish job classifications, salary schedules and to increase efficiency.

Report Highly Critical

The report is highly critical of the claim practices of "certain companies." "Claimants are embarrassed, insulted, denied benefits, and laughed at," it charges.

Members of the committee are state representatives Grattan Downey, Indianapolis, and Walter Maehling, Terre Haute; and Sens. James Spurgeon, Brownstown, and J. Russell Townsend, Jr., Indianapolis, who served as chairman.

Lloyds Brokers Of Ill. Elect Seaholm

A. T. Seaholm, Bowes & Co., Chicago, was named chairman of the Assn. of Lloyds Brokers and vice-chairman of Illinois Surplus Line Brokers' Assn. at a joint board of directors luncheon which followed a general meeting of both groups in the Chicago Board auditorium.

New officers of Assn. of Lloyds Brokers include L. F. Hawley, Newhouse & Hawley, vice-chairman; F. S. Dauwalter, Fred S. James & Co., treasurer, and Donald D. Baum, Baum & Son, secretary (reelected).

Three new directors were also named: Norman Freeman, Rollins Burdick Hunter Co.; William S. Haines, Safety & Claims Service, and William C. Eaton, Jones & Whitlock.

Mr. Hawley was also elected chairman of the surplus line group.

Honor Leo Packard

Leo E. Packard, Packard-Carson agency, was honored at the November meeting of A&H Underwriters of Milwaukee. He has been secretary of A&HUM for 22 years. He has been selected A&S underwriter of the year by the Wisconsin state association and the man of the year by the Milwaukee organization.

A. L. Horman, Time of Milwaukee, addressed the meeting on "Getting Through."

Broome County (N.Y.) Assn. of Insurance Agents will man the only insurance booth at the sports car and antique car show Nov. 21-23 at Binghamton.

INTER OCEAN



REINSURANCE

- Excess of loss
- Pro-rata
- Catastrophe

INTER

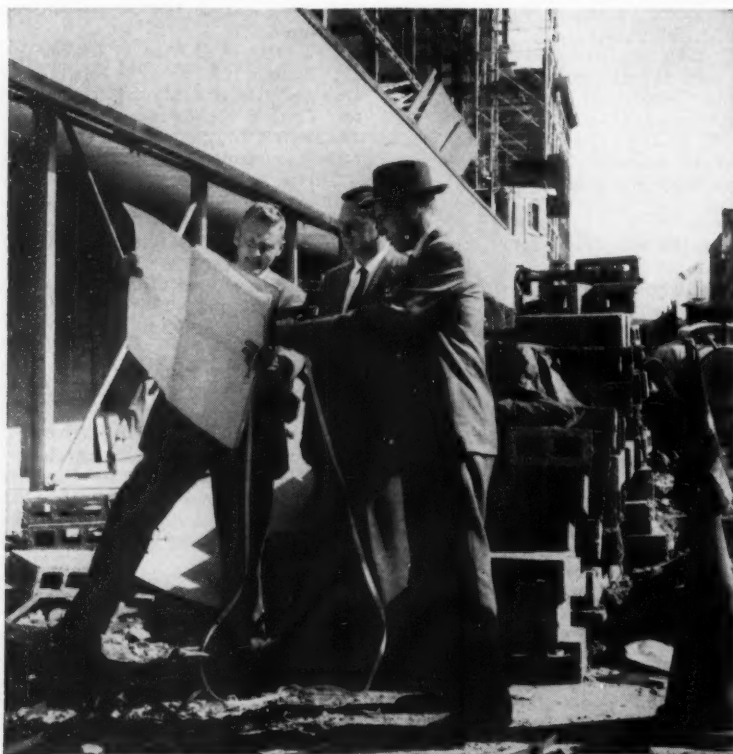


OCEAN REINSURANCE COMPANY • CEDAR RAPIDS, IOWA

A-3

Salesman?

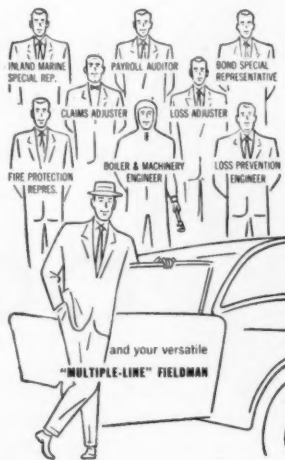
#7 in a series



ONE WHO HELPS YOU save your client money. The Royal-Globe fire protection representative is an expert on rates and the inherent hazards of various industries and businesses. Before or during construction he can be especially valuable. If you have a client contemplating building, have him see your FPR now. His suggestions often minimize hazards, possibly leading to reduced rates and future savings.

There is a fire protection representative on your local Royal-Globe mobile production team. His advice is proof to your clients that they are in competent hands. He is one more reason why Royal-Globe is

"TOPS IN EVERY SERVICE"



CASUALTY • FIRE • MARINE • SURETY

150 WILLIAM ST., NEW YORK 38, N. Y.

ROYAL INSURANCE COMPANY, LTD. • THE LIVERPOOL & LONDON & GLOBE INSURANCE COMPANY LTD.
ROYAL INDEMNITY COMPANY • GLOBE INDEMNITY COMPANY • QUEEN INSURANCE COMPANY OF AMERICA
NEWARK INSURANCE COMPANY • AMERICAN AND FOREIGN INSURANCE COMPANY • THE BRITISH & FOREIGN
MARINE INSURANCE COMPANY LTD. • THAMES & MERSEY MARINE INSURANCE COMPANY, LTD.

Convention Dates

Nov. 16-18, Kentucky Assn. of Insurance Agents, annual, Kentucky Hotel, Louisville.
Nov. 17-19, Indiana Assn. of Insurance Agents, annual, Claypool Hotel, Indianapolis.
Nov. 20, Insurance Federation of New York, annual, Waldorf-Astoria, New York City.
Nov. 20-21, Conference of Mutual Casualty Companies, accounting and statistical, office methods, and personnel conferences, Conrad Hilton Hotel, Chicago.
Nov. 24-26, National Assn. of Independent Insurers, annual, Hotel Fontainebleau, Miami Beach.
Dec. 7-8, Arkansas Assn. of Insurance Agents, midyear, Hotel Lafayette, Little Rock.
Dec. 9-10, Insurance Advertising Conference, midyear, Sheraton-McAlpin Hotel, New York City.
Dec. 10, Eastern Underwriters Assn., annual, Biltmore Hotel, New York City.
Dec. 15-19, National Assn. of Insurance Commissioners, midwinter, Roosevelt Hotel, New Orleans.
Dec. 28-29, American Assn. of University Teachers of Insurance, annual, LaSalle Hotel, Chicago.

1959

May 6-8, National Assn. of Independent Insurance Adjusters, annual, Sharrock Hilton Hotel, Houston.
May 11-14, National Assn. of Insurance Brokers, annual, New York City.

Chamber Urges State WC Radiation Coverage

The U. S. Chamber of Commerce, through its Washington Report, has urged local and state chambers to alert state legislatures to improve workmen's compensation laws to include coverage of radiation hazards in the atomic energy field. This, said the report, is the best way to assure continued freedom from federal intervention, which could result in uniform national standards replacing state systems, which are based on local employment conditions.

There is a strong effort to obtain a federal law covering atomic hazards, stated the report, apparently as a precedent for general intervention in the WC field. Proponents of this effort contend that the states aren't acting and the federal government has had more experience in evaluating these hazards. But Atomic Energy Commission has offered to supply states with information about the effects of radiation. The joint atomic energy committee plans hearing on the issue in the next Congress.

Philadelphia Agents Elect

John J. Maguire was reelected president of the Independent Insurance Agents & Brokers Assn. of Philadelphia & Suburbs at its annual meeting. Other officers are Frederick R. Drayton, and Louis P. Sigel Jr., vice-presidents, George T. Rowland, treasurer, and M. Allan Bucks, secretary.

The Hartman & O'Meara agency of Cincinnati has joined forces with McCann-Lutz agency of Pompano Beach, Fla. The new agency is Hartman, O'Meara, McCann, Lutz, with William Hartman and W. G. O'Meara, Cincinnati, and Roger McCann and Philip Lutz, Pompano Beach, as the members. In addition, George Cockill, formerly head of the insurance department of Firestone Tire & Rubber, will be a part of the firm.

Hartman & O'Meara will continue to operate in Cincinnati.

DESIGNED TO ATTRACT

INSUR N SHARE *

Cable: INSURNSHAR, Denver
*Service mark application pending.

INSURANCE TO FIT THE NEED

The need for properly written

PRODUCT LIABILITY

demands attention

It is much too easy for many businessmen to get the mistaken impression that they have protection against product or completed operations liability—or to assume that the nature of their business makes it unnecessary. The consequences of any such misunderstanding can be mighty sad—both for the insured and his agent.

Because they believe in giving their insured the protection he needs and being sure that he understands just what his insurance covers, "Shelby" agents are making full use of the facilities and the underwriting assistance that are available to them on any risk deserving the advantage of mutual rates where Products Liability is involved.

THE *Shelby Mutual*

INSURANCE COMPANY
of SHELBY, OHIO

**NON-ASSESSABLE
FIRE & CASUALTY**

C & B
1894

The Pioneer Organization

**COATS &
BURCHARD
COMPANY**

APPRAISERS

4413 Ravenswood Avenue
Chicago 40, Illinois

- Appraisals for Correct Insurance Coverage and Proof of Loss
- Depreciation Studies
- Property Ledgers



POWERFUL SALES AIDS TO HELP HIM CURE COVERAGE ANEMIA*

The American Insurance Group Representative isn't kept at arm's length by clients with *Coverage Anemia*. His "Coverage-to-Value" Promotion Kit supplies convincing evidence to make a client sit up, laugh, calculate, contemplate — and decide to buy adequate coverage.

"Cost House" Demonstrator. Dramatic, visual proof of the increase in property values.

Current Cost Estimator. A simple "slide rule" which quickly points out each client's needs.

"The Burnin' of Nero McNeary." Fun and facts to start clients wondering about their current coverage.

Plus... commercial fact sheets, radio scripts, newspaper ads—all for the agent or broker's local use.

It actually takes only *two* hands to pick up more premiums with this powerful new promotion package. To find out what it can do for *you*, contact your American Insurance Group Branch Office.

*Under-insurance resulting from increased property values.

THE **1846** American Insurance Group

NEWARK, NEW JERSEY

THE AMERICAN INSURANCE COMPANY • AMERICAN AUTOMOBILE INSURANCE COMPANY • ASSOCIATED INDEMNITY CORPORATION

Premium Export Still On The Rise

U. S. insurers paid \$234.2 million in premiums ceded to foreign reinsurers in 1957 and recovered from them \$179.5 million in losses, according to the bureau of foreign commerce of U. S. Department of Commerce, which has been compiling such figures since 1950.

The \$54.7 million difference between premiums paid and losses recovered was reduced by net receipts of \$15.9 million by U. S. insurers on reinsurance they accepted in way of cessions from foreign insurers.

U. S. insurers received \$40 million in premiums on reinsurance assumed from abroad and paid losses of \$32.1 million.

In 1956, the net receipts by foreign insurers on their reinsurance business with U. S. insurers was \$50.7 million, and in 1955 \$36 million. The total of premiums ceded to foreign reinsurers has climbed steadily since 1950 except in 1955 and 1956 when there was a small drop. In 1950 the premium figure was \$129.7 million, the loss figure \$83.9 million.

British Get 85% Of Total

In 1957 British reinsurers received \$201.3 and Swiss reinsurers \$18 million. Last year as in previous years British reinsurers accounted for about 85% of the total.

The amount of reinsurance assumed by U. S. insurers from abroad has been growing since 1950, according to the Department of Commerce. Net premiums of \$48 million received in 1957 were 2.7 times the premiums received in 1950.

The department points out that it is not concerned with underwriting results on these transactions but with the movement of funds from and to the U. S. by way of reinsurance. The accumulation of required reserve funds in the U. S. by foreign nonadmitted companies, even though not in

their entirety at the disposal of foreign countries, is considered an accumulation of foreign-owned dollar assets in the U. S., according to Jerome Sachs, director of the insurance staff of the department.

For balance of payments purposes, therefore, excess of premiums ceded over losses recovered, is regarded as essentially a cash transfer to foreign countries.

Massachusetts Bonding Names Two At Dallas

Richard C. Guinan and Harry N. Morgan have been named assistant managers at Dallas by Massachusetts Bonding.

Mr. Guinan was in charge of underwriting in the company's suburban department at New York before going to Dallas in 1952, where he has directed casualty operations in Texas. He will continue in this capacity and in addition will supervise the field work of the company's special agents. He is presently 1st vice-president of Dallas Casualty Underwriters Assn.

Mr. Morgan was recently transferred from St. Louis where he was in charge of the fidelity and surety department. He will supervise the production and underwriting of bonding lines at Dallas.

Michigan Assn. Changes Tele-Sell Date To Jan.

The Tele-Sell program planned by the Michigan Capital Stock Insurance Assn. for Dec. 2, 1958, has been set ahead to Jan. 13, 1959. This program will be held at the Rackham building, Detroit, beginning at 9:30 a.m.

Double D. C. Taxi Limits

Liability coverage of Washington, D. C., taxicabs more than doubled to 10/20/10, under a new law effective Oct. 26. A law change puts taxis under provisions of the financial responsibility law for the first time.

Interstate Indemnity Alleged Insolvent

Interstate Indemnity of Los Angeles has been placed under the conservatorship of the California department by superior court at Los Angeles.

The department applied for the order on the basis of an examination dated Oct. 22 in which the examiner states that it is his conclusion that Interstate Indemnity is insolvent.

It is alleged that the capital has been exhausted and there is a deficit of \$1,191,312. It is further alleged that false financial statements were filed by the principal officers for the purpose of deceiving the insurance authorities, it being specified that such reports were filed as of Dec. 31, 1957, and June 30, 1958, and were executed by John A. Markel, president, and C. E. Cross, vice-president.

New Organic Industrial Solvents Handbook Ready

A 72-page Handbook of Organic Industrial Solvents designed to provide safety engineers with fundamental information on recognition and evaluation of solvent problems and principal methods of control just has been published by National Assn. of Mutual Casualty Companies, Chicago.

The material, which has been in preparation for several years by the organization's industrial hygiene subcommittee, has not previously been available in a single publication. Largely a compilation of existing data, it covers the physical, chemical and toxicological properties of the common industrial solvents upon which the nature and extent of hazards depend.

Single copies may be obtained without charge from F. H. Deeg at the association offices, 20 North Wacker drive, Chicago 6.

Continental Cas. Declares Extra

Directors of Continental Casualty have declared an extra dividend of 35 cents payable Dec. 1 to stock of record Nov. 17.

November 12 was designated as **Arizona Insurance Day**. The proclamation also paid tribute to Director Bushnell and his staff.

James R. Ashe has been appointed manager of the group department of D. K. MacDonald & Co. of Seattle. He has been in the business in Seattle since 1947, specializing in group insurance with Travelers and New York Life.

Name Nail Head Of Mutual Loss Bureau

C. E. Nail, president of Lumbermens Mutual, was elected president of Mutual Loss Research Bureau at a recent meeting of the organization's board of governors.

N. M. Knowlton, president of Holyoke Mutual Fire, was elected vice-president, and Gordon Davis, Chicago, was reelected secretary-treasurer. Don Hawkins, Chicago, was reappointed assistant secretary-treasurer and assistant manager.

Mutual Loss Research Bureau concerns itself with property loss adjustment problems of a number of mutual fire companies comprising its membership.

Honor National Board Men

The National Board honored three retiring members of its engineering staff at a luncheon in New York. They are John A. Neale, chief engineer; George J. Robinson, senior assistant chief engineer in the east, and Harry L. Doty, chief draftsman.

Harry W. Miller, general U. S. attorney and manager of Commercial Union group, and president of National Board, presided; S. Dwight Parker, president of Springfield companies, and former chairman of the board's committee on fire prevention and engineering standards spoke, and Lewis A. Vincent, general manager of the board, presented a scroll of honor to each of the retiring men.

Everett W. Fowler, who succeeds Mr. Neale as chief engineer, introduced Arthur H. Selleck, engineer, municipal survey division, who, on behalf of the staff, presented them with fire helmet charms and mementoes of the occasion. Other gifts from the staff were presented respectively to Mr. Doty by Kenneth L. Carl, director of municipal surveys; and to Mr. Robinson by Harold L. Hilton, engineer, municipal survey division.

Frank F. Dorsey, executive vice-president of U.S.F.&G. and chairman of the committee on fire prevention and engineering standards of the board, presented a large engraved silver tray to Mr. Neale in recognition of his services.

Present at the luncheon were members of the engineering staff, who are in New York, department heads from the New York office of the board, wives of the retiring employees and Mrs. Fowler. Other guests were Percy Bugbee, general manager of National Fire Protection Assn.; and Curtis R. Welborn, president, and M. M. Brandon, senior vice-president, Underwriters' Laboratories.

NATIONAL INSPECTION CO.

CHICAGO, ILLINOIS

Service to Stock Fire Insurance companies for 55 years.

Inspections and Underwriting Reports.

R. L. Thiele
Manager

P. A. Pederson
Ass't Manager

C. H. Strong, Chief Inspector

KURT HITKE & CO., INC.

on your policies means you are being serviced by capable underwriters for . . .

GENERAL LIABILITY

FINANCIAL RESPONSIBILITY

TRUCKS-BUSSES

SURPLUS LINES

WORKMENS COMPENSATION

TAXICABS

NON-STANDARD AUTOS

CALL... WAbash 2-3622

175 WEST JACKSON BLVD.

CHICAGO 4, ILLINOIS

LOS ANGELES

SPRINGFIELD

MIAMI

ATLANTA

BALTIMORE

► Look for this advertisement in The Saturday Evening **POST** of November 29th . . .

**NOTE:**

Producers may obtain permission to use this artwork and text in their own advertising through the Great American fieldman in their area, or by writing directly to the company.

Are You Keeping Your Fingers Crossed?

Unless you have revised your insurance coverage recently—to allow for today's greatly increased replacement costs—you had better keep your fingers crossed!

Wouldn't it be wise to remove all likelihood of needless loss through under-insurance by acting promptly on the sound advice of your local independent agent or broker? See him soon—and uncross your fingers!



GREAT AMERICAN
GROUP OF INSURANCE COMPANIES

FIRE • MARINE • AUTOMOBILE • CASUALTY • SURETY

GREAT AMERICAN • GREAT AMERICAN INDEMNITY • AMERICAN NATIONAL FIRE • DETROIT FIRE & MARINE • MASSACHUSETTS FIRE & MARINE • ROCHESTER AMERICAN

COMMENTS

TRENDS

OBSERVATIONS

Eyes Higher Cost Of Independent Adjuster

John H. Van Zandt of McKennis & Van Zandt, Syracuse, N. Y., writes:

The serious problem of inadequate rate structure and increased losses covers the industry ailments from A to Z. An important factor in the loss picture is loss adjustment expense. Of course, this is all elementary. My reason for writing is to bring to your readers' attention the very relevant factor of loss adjustment expense and how it affects both agent and company experience.

On Sept. 7, the "society burglar of Syracuse" hit my client's home. The loss from burglary was \$964.65 and there was damage to a door of \$35.00, totaling \$999.65. Adjustment expense was \$76.50—a grand total of \$1,076.15 for the loss and loss adjustment expense.

The writer spent approximately five hours with insured setting up the loss information for the company. I won't go into the question of whether the agent should do this, other than to say that I believe that a good agent should do so. He is paid to service his client's account. When it was apparent that the loss was considerable, it was felt that the company's interests would be best served by having them handle the loss adjustment. They did so by assigning the loss to an independent adjuster.

Costs Are Out Of Line

I can estimate quite accurately the time spent by the adjuster in closing this case. He was at insured's home just once, for one and one-half hours. He did not have to make or copy any list of lost articles. Insured did that. He did not check any values for accuracy to my knowledge. This had been done by insured, at my suggestion, in the form of appraisals where possible. He did have to write up his report and render a bill for services. I am sure that he did not spend more than four hours on this loss and I doubt that he spent three hours. His bill for \$76.50 seems very much out of line in this particular case. Personally, I believe that there was no need for independent professional loss services in this instance. My loss ratio suffers an additional burden in addition to the loss itself. Magnify this situation nationwide and the insurance industry has a good place to look for reducing its cost of doing business.

I am not saying there is no need for independent loss services. Many of our losses require the professional control of the adjuster. But, this one did not and I am sure that all agents can recall similar situations. We do not need this added expense and it should be stopped where applicable.

My interest is solely for the betterment of our business, agent and company alike. I favored reduced automobile liability commissions. I do not favor the trend of further commission reductions unless demonstrated to be fair, to cure the ills of our business.

Article On Field Man's Role In Cost Cutting Drama Prompts Comment

The article—Field Men Get Star Billing In Forthcoming Cost Cutting Drama—in the Oct. 10 issue of The National Underwriter evoked considerable comment from company executives, field men and other correspondents. Extracts from some of the letters follow.

Your recent article on field men is being discussed all over the country. It was excellent and I am looking forward to the next installment.

I used THE NATIONAL UNDERWRITER of Oct. 10 in connection with our sales meeting because there were several good articles in it. I think the article on field men is one of the best I have read on the topic in my 30 years in the business.

I have just returned from the annual meeting of Western Underwriters Assn. in White Sulphur and thought you might be interested to know that your article on field men was the most discussed topic of the entire meeting. It was referred to by two of the company presidents. I was very happy to see that your analysis brought this much neglected topic out in the open.

With regard to the statement in the article on field men, that "right now the various factions in the business are drawing economic straws and nobody wants the short one," we must bear in mind that straws are stocked in the home offices. Apparently, there is an intense struggle for the longer ones among junior and senior executives. Rest assured, there will be only short ones, if any, left over for the field man. Lucky indeed is the company who has a president shrewd enough to evaluate carefully the problem of human nature involved. While making the field man the whipping boy may be understandable, it is a mistake, because energy and attention are diverted from more fundamental and important causes of weakness in a company and our industry.

A few years ago when companies had a profit in a particularly difficult line, the boys on the inside were knocking each other over to take credit for the "good underwriting." Now, when they are losing money, the field man has become the whipping boy. I am sure presidents who have been successful field men will not re-

A good agent—in the face of all other factors—still has an excellent chance of making a profit for the company and himself. The agent's part is sincere underwriting for the company; the company's part is a sincere effort to cut out such nonsense as has been

sort to any unsound course of action.

A field man is like a gardener. Both jobs require intelligent planting and cultivating, and the harder one works, the better the results. We know what happens when we give a man too large a garden for best results, or harass him so that he cannot plant and cultivate as he should. But of all things contrary to good management, to withdraw the gardener is the worst. Under such circumstances, does a company expect to harvest its share of the hardy perennial—insurance?

Just look at this from the negative side—what is the value of the good gardener—(field man) for his cultivating in either controlling or eliminating the weeds—poor risks, poor agencies, and credit losses on agencies' balances? Having been an underwriter for years before becoming a field man, I have this firm conviction as a result of observation in my own office—the good underwriter earns the slight increase in salary he receives, in one week's time, because of the good underwriting decisions he makes. The good underwriter does more work and better work than the average. What I have said of underwriters can also be said of field men.

May Discontinue "Garden"

A company has a right to discontinue a garden—agency, town, area, state, or class of risk. In fact, good management requires this. This has been a continuous process in soundly managed companies, and I would speculate that the soundly managed companies have kept this phase of their operations to a minimum over the years. However, it is another thing for a company to want to harvest from a garden without a gardener, and when I hear of a company disposing of its field men in a certain territory and continuing to do business in that territory, I say it is a reflection on the management.

"We can get all the business we want without a field man, so why have field men?" is an erroneous conclusion based on erroneous premises. It reflects unsound judgment. If we asked the author of such a statement what harvest results he expects from a garden without a gardener (field man), he would reveal his weakness and squirm under the probing of executives with analytical minds.

It seems to me that the management of some companies might do better to inquire whether some of their troubles are due to having departed from sound underwriting fundamentals in the past. If an honest answer is in the affirmative, it would seem foolish to pick on the field men who were very likely following the leadership provided by management.

Your article is most timely. The

Has Lightning Remedy: Grounding In Ground

Carl Higginbotham, Windermere, Fla., agent, writes:

As a field man and general agent in Florida for 30 years, from 1924 to 1958, I saw the loss ratio for fire on dwellings go so low as to make this claim most sought after.

During our great period of inflation the rates went down, and down, and now that some leveling off of increased costs has been apparent, the loss ratio—based upon earned premiums—has not been so attractive. One of the straws that is breaking the camel's back is the great number of lightning claims.

National Board, in an effort to check this bad trend, put out a bulletin June 12, 1958, wherein it recommended to each company that every lightning claim be well investigated before paying. Such investigation is to be made by a qualified adjuster.

I hope this will help the loss ratio, but when the cost of investigation by a qualified adjuster is absorbed, it is doubtful as to the ultimate benefits.

Let me offer a suggestion which will, I know, eliminate many claims. The great majority of electricians use the plumbing pipes for grounding the electric meters. This should be outlawed. The quick recovery water heating units now in use are very delicate, and will melt with no great charge of lightning entering through the water lines. The old type of heating coil was very sturdy, and could withstand quite a shock.

The meters should be grounded with a rod driven into the ground immediately below the meter, and the rod should be long enough to carry the lightning into the damp soil. An eight-foot rod is usually sufficient, but my home is pretty high, so I had a half inch galvanized pipe of 21 feet driven into the ground and used it. In no case have I ever had a lightning loss to household appliances where the meter was grounded with a rod. And, I have had many where they were grounded into the plumbing.

profundity and probity of your observations are indicative of considerable research on your part among field men, company executives and agents. It is almost as though you had been reading some of our thoughts.

THE NATIONAL UNDERWRITER coverage of various subjects continues to be intensely interesting to me and I am sure many others share this opinion. It is a mighty interesting era in our business.

Your article on the trials and tribulations of field men was very timely and very well done. As a former field man, I believe you hit all the nails on their respective heads. Your future exploration of this subject should be quite interesting.

The field man article is indeed
(CONTINUED ON PAGE 29)

Greenhouse Windshields Need Greenhouse Rates

(CONTINUED FROM PAGE 4)

of \$4, cost would be per car: Windshields, \$3, side windows 88 cents, and back lights, 12 cents.

For the above sample, the 1959 windshield loss expense would be \$3 times 2.47 or \$7.41. With a 60% loss ratio, the premium requirement on the average windshield in 1957 was \$5. On the 1959 example windshield, it would be \$12.35. The 1959 windshields will vary widely on some models of all manufacturers. Added premium requirements would vary from zero to \$13 if they were related to loss expense.

From a national standpoint based on 5½ million car sales, 4 million will require special rating from \$3 to \$13 above 1957 levels. This requires \$30 million added premium. There are three choices available:

—Follow the usual pattern of delayed general average rate increases in 1961 or 1962, while sustaining interim losses and accomplishing nothing.

—Retreat behind some form of deductible, difficult to sell, and introducing greater eventual driving hazards.

—Follow the fundamental precepts of insurance of "charging a rate commensurate with the loss exposure." Special rating of windshields is the only logical course.

Stylist Is In Unique Position

Until insurers make such a move, they will not increase in stature in the eyes of the car manufacturers or stylists. The car stylist is in a unique position. There has been misdirected criticism of excessive use of decorative chrome and ornamentation as repair costs mount. Many 1959 models show a reduction in these features. Higher repair costs are evident. Stylists can only be reached by placing a premium dollar on an expensive styling feature. Until insurers can reach these people who must create car styles three years in advance, only partial benefits toward lower repair costs are obtainable.

Never again will such an ideal situation be offered as is presented in expensive 1959 windshields. Special rating does not single out one particular manufacturer but affects some models of all car manufacturers.

Sometime insurers will have to face up to a principle. It might be better to lose a little business on some 1959 models than lose a lot of money on them as long as they are on the books.

An accurate, complete study and detailed report by an outside independent research company is needed. All of the many variables must be accounted for.

Insurers are not just rating windshields, but future success by stop-

ping soaring repair costs. At least one of the major manufacturers already has in the styling process a return to smaller windshields.

While this is true of windshields, other more costly construction design and styling changes are in process. One, for example, is the expanding use of unitized construction. If this is adopted by all car manufacturers, it could eventually add millions of dollars to premium requirements. To quote one car executive: "It is foolish for us to save x number of dollars in building a car if our owner must pay double or triple x in insurance premiums." How are the auto makers to know? Action by the insurance industry is necessary.

Following Mr. Henderson's talk, the MIIS members heard a report from Corporate Research Inc. on this subject.

Reprints of "Two Sides to Windshield Coverage" and this article 60 cents, less in quantities; five previous articles \$1. Write to: William P. Henderson, 1901 Woodward, Berkley, Mich.

N.Y. Brokers Get Action

On Advertising Complaints

Complaints by Greater New York Brokers Assn. to the insurance department have resulted in withdrawal of advertising by 3rd Avenue Auto Sales Co. in the New York Mirror, claiming that liability coverage was included with car purchases.

Universal Utilities of Great Neck discontinued advertising an offer of free life insurance to fuel oil purchasers. Scope Instrument Corp. of Mamaroneck withdrew advertisements of offering free coverage to buyers of binoculars.

The brokers also protested Parker Pen Company's newspaper advertising and promotional material at dealer location's offering an insurance service, on the grounds that this is merely a special agreement to protect pen purchasers against loss for two years.

Continental Casualty has appointed Thomas E. Nelson Jr., liability underwriting manager at Dallas. He had formerly been a liability underwriter in the Detroit office.

Carroll R. Young, vice-president of America Fore, was honored at a luncheon at the America Fore home office by his fellow officers and associates, on occasion of his 25th anniversary. J. Victor Herd, chairman and president, welcomed Mr. Young into the Old Guard organization and presented him the Old Guard watch, pin and scroll.

YOU Can Start a Chain Reaction of Sales . . .

by Joining the March to N.A.A.I.C.*

Your future with this company can grow . . . and grow:

1 New, Streamlined Life Portfolio!

NAALC's Life lines have been revised—realistic, saleable rates.

2 New Group Facilities—Life and A&H!

3 Outstanding Agency Contract!

Ask any North American Agent what he thinks of his contract! It's unbeatable!

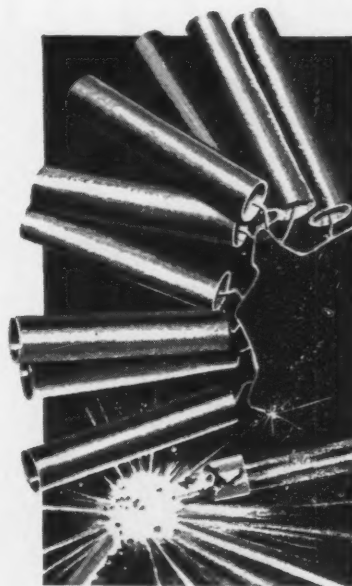
There are other reasons, too, why top insurance men know it's smart business—profitable business to work with the North American Accident Insurance Company—Chicago.

- Top Commissions . . . Level A&H Renewals
- No Branch Offices To Compete With You
- Concrete Assistance—gets you off to the right start with hard-hitting sales aids and promotional materials.
- Extra Incentives to supplement your production achievements.

If You Are Interested In Making Money—Not Just Today But Years From Now—remember you can start a chain reaction of sales by writing

S. Robert Rauwolf, Vice President, Dept. J

*The familiar abbreviation for the North American Accident Insurance Company—one of America's oldest and strongest Personal Insurance stock companies.

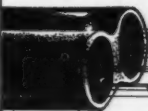


FOUNDED 1886 North American Accident Insurance Company

Licensed to operate in the 48 states and the District of Columbia
LIFE • ACCIDENT • HEALTH
209 SOUTH LA SALLE STREET • CHICAGO 4, ILLINOIS



ANCHOR
CASUALTY COMPANY
SAINT PAUL, MINNESOTA



Diversification Pays!

AMMUNITION TO UP YOUR SALES CURVE

Anchor has developed a sound, rule-of-thumb for diversification of business. Why not use it as a guide?

Automobile	45%
Fire and Allied Lines, incl. Misc.	30%
Workmen's Compensation	8%
Gen. Liability & Prop. Damage	8%
Burglary & Glass	3%
Fidelity & Surety	6%

Today's answer to increased income lies in broadening your sales horizon. New—and previously unsold—lines bring new prospects . . . give you an automatic safeguard against increased competition and present markets. You'll find plenty of ammunition in Anchor's multiple line facilities—PLUS its three new packaged coverages: Motel Owner's, Automatic Laundry Owner's and Combination Service Station policy.

SEE YOUR ANCHOR MAN FOR HELPFUL ASSISTANCE

"Service Beyond The Treaty"

Intelligent Reinsurance Analysis

FIRE • CASUALTY • TREATY • FACULTATIVE

REINSURANCE

Agency Inc.

CHICAGO 6, ILLINOIS • 309 W. JACKSON BLVD.

WABASH 2-7515

Agent Has Key Role In Loss Adjustment

(CONTINUED FROM PAGE 4)

case with a 10-foot pole, becoming involved in these—even a property damage case—might have consequences not apparent to agents, he warned. Competent, trained claims men should contact witnesses as quickly as possible and obtain the insured's and claimant's statements, he continued. Investigation of a third party matter and obtaining the facts, favorable or unfavorable, is the claims man's job.

Furthermore, he said, on third party matters, agents should not decide the liability of their client. Their opinions are understandably prejudiced in favor of friendly clients and are not only worthless but may be harmful to the defense of the case. The point is that agents should not fail to report each BI and PDL case to their companies, Mr. Franklin said.

First party losses are another mat-

ter, he went on, and he believes that agents should adjust smaller losses, up to one or two hundred dollars, or a figure agreeable to the company. Smaller losses would include minor burglary, personal property losses, physical damage claims, or any personal line where a just indemnification figure can be determined. Complicated losses requiring application of coinsurance or other formulae, or requiring a representative for more than one company, should be excluded, Mr. Franklin opines.

It is the agent's duty to his clients, their companies, and to himself to adjust smaller losses rather than refer to a company representative or to an outside adjuster, he continued. Some non-company adjusters make the most money on smaller claims—on a multiple volume of \$10 or \$15 fees for work consisting often of a telephone call or writing up a loss statement. Handling the larger losses and claims, on the other hand, is paid for on the basis of actual time. A company gets value received, and pays a reasonable fee for the services rendered in the larger losses and claims. Most charges for handling of small losses are outrageous, when compared to the size of the loss. Many of these charges are incurred because some agents are not doing the job, Mr. Franklin asserted.

Savings Are Vital

He noted that outside adjusters claim that their work on smaller losses saves the company's money. This is true sometimes, but not usually, for these adjusters won't take a chance on angering insured or the agent who might change his preference for adjusters.

Agency handling of small losses can mean considerable savings in loss expense and permit more money to be spent for investigation of third party matters, Mr. Franklin said. In these days of rising expenses, that consideration can become the difference between a 3% or merely a 2% loss. That 1% saving can mean millions annually to a large company, he pointed out. Loss ratios industry-wide would be significantly bettered by improved investigation of third party liability claims. Mr. Franklin believes that agents can negotiate a settlement for less than the average adjuster who is a stranger to the client and with whom he is automatically on guard. The agents know the client best.

Some insured will not understand the principle of indemnification for loss and in a few cases the agent might have to pay more than his or the company's evaluation of the amount due, he went on. Such occasional overpayment of a valid claim is a part of the business. The company shouldn't criticize an agent for doing what must be done sometimes to retain a valuable piece of business.



WHEN THE GOING GETS ROUGH . . .

. . . and cargoes are lost or damaged in far away parts of the world, shippers discover the *difference* in insurance.

Those insured through the MARINE OFFICE OF AMERICA enjoy the advantages of world-wide claims settling facilities and the services of experts at home and abroad.

Wherever and however your clients ship you'll serve them well by insuring their cargoes through the MARINE OFFICE OF AMERICA.

All Classes of Ocean and Inland Marine Insurance!



MARINE OFFICE OF AMERICA

123 WILLIAM STREET, NEW YORK 38, N. Y.

MEMBER COMPANIES:

THE AMERICAN INSURANCE COMPANY • THE CONTINENTAL INSURANCE COMPANY • FIDELITY-PHENIX FIRE INSURANCE COMPANY
FIREMEN'S INSURANCE COMPANY • GLENS FALLS INSURANCE COMPANY • THE HANOVER INSURANCE COMPANY
NIAGARA FIRE INSURANCE COMPANY

—OFFICES—

NEW YORK • CHICAGO • NEW ORLEANS • SAN FRANCISCO • HOUSTON • TORONTO
Atlanta • Baltimore • Boston • Cleveland • Corpus Christi • Dallas • Detroit • Indianapolis • Jacksonville • Los Angeles • Louisville
New Haven • Philadelphia • Pittsburgh • Portland • Raleigh • Richmond • St. Louis • Seattle • Stockton • Summit • Syracuse

Peerless Raises Scanlon

Peerless has appointed Martin M. Scanlon manager at Boston. Prior to his new appointment he was at the New York office for several years, assisting in the development of fidelity, surety and burglary lines.

Audits for Casualty and Inland Marine Carriers

K. L. PEARCE COMPANY

PAYROLL AUDIT SERVICE

Payroll Audit Service—has the ability and getup to get the job done adequately.

Prompt Service—Payroll and other casualty audits by representative field auditors.

AGENCY CONTACT ALWAYS

HOME OFFICE: INSURANCE EXCHANGE Bldg.,
DES MOINES, IOWA • Phone CH 3-8649, CH 3-8640
IOWA, MINNESOTA, DAKOTAS, NEBRASKA,
MISSOURI, ILLINOIS, WISCONSIN, INDIANA,
MICHIGAN, KANSAS, OKLAHOMA, COLORADO,
NEW MEXICO

WANTED

We're looking for an Un-average man

The fellow who doesn't want an average job.

The man who thinks chicken feed is for the birds.

The man who has the know-what-I-want-out-of-life initiative to get there, too, if given the opportunity.

If you have: A Successful sales record of five years or longer. Can furnish proof of sales management of at least 5 men for two years or more...

we want to hear from you. If you are this *un-average* man we will outline for you specific steps that will lead you straight to the top. You can look forward to a business of your own... A Mutual of Omaha contract that can net you as much as seven cents per person in your assigned territory. Territories vary in size from 250,000 to 1,000,000 people.

write today to: HOWARD DEWEY
MUTUAL OF OMAHA
OMAHA, NEBRASKA

He'll tell you why young men who are going places, GO WITH MUTUAL OF OMAHA.

MUTUAL OF OMAHA HAS PAID MORE THAN 900 MILLION DOLLARS IN BENEFITS



V. J. SKUTT, President

Largest Company in the World Specializing in Health & Accident Insurance Protection

Gerber Issues Warning On Sales "Gimmicks"

Insurance companies and their sales representatives have been alerted by Director Gerber of Illinois against the use of sales "gimmicks" intended to deceive the public in the solicitation of insurance.

Sales misrepresentations include offering insurance as an inducement for the purchase of merchandise falsely advertising that the purchase of automobile insurance is mandatory in

Illinois; compelling borrowers to purchase insurance from lenders, and creating "fictitious groups" for the purpose of indirectly offering discounts on insurance rates.

Mr. Gerber warned that violators will subject themselves to such action as the department deems necessary to enforce the Illinois insurance laws.

Security Mutual Casualty of Chicago has joined **Illinois Insurance Information Service**, bringing membership in the organization to 17 Illinois insurers.

Western Adjustment Promotes 3 In Mich.

Western Adjustment has made several promotions in the Detroit area, effective Jan. 1. Ray E. Blum, Detroit manager goes to the new position of regional general adjuster for the eastern part of the state. Russell K. Osgood, Dearborn manager, will succeed Mr. Blum at Detroit. Vernon D. Davies, general adjuster at Indianapolis, has been promoted as manager at Dearborn.

Mr. Blum has been with Western Adjustment 17 years, at the Flint and East Side Detroit offices before being appointed general adjuster at Detroit and subsequently manager there.

Mr. Osgood has 30 years' experience with Western in the Detroit area, the past 13 as manager at Dearborn.

Mr. Davies has been with the company since 1945, in South Bend and Indianapolis and is presently general adjuster at the latter city.

FTC Dismisses Complaint Against Liberty Mutual

Federal Trade Commission has dismissed, for lack of jurisdiction, its complaint that Liberty Mutual misrepresented the benefits provided by its A&S policies. This vacated an earlier initial decision by Hearing Examiner Loren H. Laughlin which would have dismissed the charges for failure of proof.

FTC also has dismissed for lack of jurisdiction complaints charging Educators Mutual and Fireman's Fund Indemnity with falsely advertising A&S policies. FTC held that these cases are governed by the decision of the U. S. Supreme Court in the cases of National Casualty and American Hospital & Life.

Self-Insurers Card Set

The annual meeting and dinner of Self-Insurers Assn. will be held Dec. 4 at the Biltmore Hotel, New York. Highlighting the morning session will be a review of decisions during the past year under the New York workmen's compensation law by Noel S. Symons, Buffalo attorney. Following this will be a panel discussion on the 1958 law regarding occupational loss of hearing, moderated by F. R. Barnako, Bethlehem Steel.

In the afternoon, Dr. M. U. Eninger of Pittsburgh, personnel research and development expert, will discuss a new approach to accident cause analysis. Following this will be an evaluation of safety aspects of nuclear reactors by George Hovorka, ACF Industries.

Daniel In Communications

William E. Daniel has been appointed assistant superintendent of the communications and forms department of Hartford Accident. He joined the company in 1933 in the statistical department and later transferred to the automobile department where he became supervisor of the forms and underwriting services unit.

DO YOU TALK TO CONTRACTORS?

We are talking about you to the \$50 Billion construction industry. We are advising country-wide prospects for Contract Bonds to consult with our agents before bidding on jobs.

Our current advertisement in construction publications points up a few of the many ways you can assist contractors before they bid. For example, you can help obtain the lowest rate applicable to the particular job so they won't figure that item too high, and possibly lose the job, nor too low, and be out-of-pocket. When a contractor knows the exact cost of his Contract Bond premium it helps him submit a bid based on correct cost figures.

Write our Advertising Department for reprints of the ad that is being read by your Contract Bond prospects. Also ask for copies of a sales folder and sample sales letters that will help you "talk to contractors" so you can get your share of the tremendously rich Contract Bond market.

THE PENNSYLVANIA FIRE INSURANCE CO. • NORTH BRITISH AND MERCANTILE INSURANCE COMPANY LIMITED • THE COMMONWEALTH INSURANCE CO. OF NEW YORK • THE MERCANTILE INSURANCE CO. OF AMERICA, administrative office: 150 William St., N. Y. 38, N. Y. • THE OCEAN MARINE INSURANCE CO. LIMITED, administrative office: 111 John St., N. Y. 38, N. Y. • CENTRAL SURETY AND INSURANCE CORP., home office: 1737 McGee St., Kansas City 41, Mo.

A MULTIPLE LINE GROUP

N.B. & M. INSURANCE GROUP
Established 1809

Philadelphia Department, Philadelphia 5, Pa. Southern Department, Atlanta 8, Ga. Michigan-Ohio Department, Detroit 26, Mich. Midwestern Department, Chicago 6, Ill. Western Department, Kansas City 41, Mo. Pacific Department, San Francisco 4, Calif. Dallas Office, Davis Bldg., Dallas 2, Tex. Denver Office, University Bldg., Denver 2, Colo.

Printers TO THE INSURANCE INDUSTRY

If it's worth printing well, it's a Steck job!
Write, wire, or telephone for information

THE Steck COMPANY
AUSTIN, TEXAS

In Transportation Insurance ...

MID-UNION LEADS THE WAY!

SERVICE "Swift, reliable and personal attention to the specialized needs of the commercial trucker . . ." This guiding philosophy has made Mid-Union Indemnity Company a leader in transportation insurance . . . and this basic policy is apparent in the Mid-Union decision to provide the trucking industry with a national network of expertly staffed regional service offices in these principal cities:

Baltimore, Maryland
931 Munsey Building

Chicago, Illinois
175 W. Jackson Blvd.

Denver, Colorado
333 N. Colfax Ave.

Fort Worth, Texas
609 Bailey Street

Kansas City, Missouri
210 Westport Road

Los Angeles, California
955 S. Western Avenue

Miami Beach, Florida
1440 79th Causeway

Seattle, Washington
Exchange Building

FIRSTS Yes, Mid-Union has many "firsts" to its credit . . . for example, Mid-Union is the first agency company offering Fleet Owners Comp in a package with five major coverages.

FEATURES . . . In addition to complete service and unique coverages, Mid-Union offers producers a winning combination of . . .

- ✓ Adequate commission in line with competitive ratings
- ✓ Annual or continuous policy with monthly payments
- ✓ All state and I.C.C. filings made by company
- ✓ Fleet rates and retrospective ratings on large accounts
- ✓ Premium financing facilities

Mid-Union knows the transportation field.
For more information, write, wire or call



MID-UNION

INDEMNITY COMPANY

Public National Insurance Company of Florida

Telephone SHerwood 2-7040 • 853 Dundee Avenue ELGIN • Illinois

Hail Insurance Has Outstanding '58 Gains, Premiums At Record High; Losses Decrease

(CONTINUED FROM PAGE 1)

weather conditions being caused by an unusually low amount of moist air over the producing areas. The only hard hit states were Colorado, Wyoming, Oregon and the western part of Kansas. This is more or less a return to the normal hail pattern in which the losses have been concentrated in the Colorado, Wyoming, Montana, Nebraska and western Kansas territory.

Another factor in the improvement in hail results is the current rating program of the Crop-Hail Assn. The preliminary statistics are compiled almost as quickly as the last crop is harvested, and by the time the rating season comes around there is ample data for crops by township. It is the policy to review rates in every state at least once every three years, but for the states in which there has been a disastrous season, current statistics are available and it is possible to go to the department with a full file of information justifying a rate level commensurate with experience.

Include Previous Experience

The 1958 rates in many states included 1957 experience, and in 1957 the rates took account of the disastrous 1956 experience. This is the third year of such current rating, and the loss ratio bears out its effectiveness.

Another return to the old pattern is the resurgence of Kansas and its wheat crop as the No. 1 hail state from the standpoint of premium income. Kansas has had to take a back seat to North Carolina and tobacco for several years, but wheat came into its own in 1958 and Kansas premiums were \$9,259,190. North Carolina dropped to third place with premiums of \$7,658,000, while Texas remained second with its cotton crop at \$8,749,000.

As the hail insurance business in 1958 reaches a new level of success, it is noteworthy that it is probably the only line of insurance (including life) which has shown since the upheaval in insurance in the SEUA-PL 15 days, a consistent improvement. The whole approach to hail insurance has been made more scientific by the adoption of machine computations and the setting up of a statistical and advisory organization, Crop-Hail Actuarial Assn., headed by Richard J. Roth as manager.

The coverages have been improved and innovations introduced, but not in a manner that has led to confusion and even resentment as with the dwelling fire policies.

The hail departments of most companies are off in a corner, either as part of the farm department or, as in the case of Rain & Hail Insurance Bureau, a detached office. Yet, since 1945 the over-all loss ratio has exceeded 60% only four times, and there have been only two years of serious reverses. The results of 1958 alone, with a spectacular increase in premiums coupled with a sizable decrease in losses, make up for the poor experience of two years ago.

The members and subscribers of Crop-Hail Assn. write about 75% of the total hail business, and on this basis the aggregate hail premiums in the U. S. for 1958 will total something over \$100 million.

While Kansas rates as the No. 1 hail state on the Crop-Hail Assn. premium statistics, Illinois is actually one of the leaders. The Crop-Hail Assn. members write more than \$4 million in prem-

iums in Illinois, but the farm bureau insurer, Country Mutual Fire, writes about \$8 million. A while back Illinois had two bad years in a row, and the farm bureau company was on its heels but was saved because of good reinsurance. In the last few years, however, Illinois has made a good comeback and has been a highly satisfactory state. In 1957 the loss ratio was only 11%.

A notable feature of the Illinois hail picture is the work of the state water survey meteorological department, which is studying hail damage by area using radar. Radar is employed to track storms to correlate them with topographic conditions to determine if there are areas in the state more subject to hail than others. Illinois is the first station to be able to identify a tornado by its radar picture. Glen E. Stout heads this project, which has led to similar work in Texas. Mr. Stout's experiments also have shown that radar can be used in forecasting weather.

First prize as the worst hail state in 1958 goes to Oregon with a loss ratio of 200%. Colorado, however, had a 131% loss ratio on three times as much premium as Oregon.

Premiums and losses by state, together with the loss ratio and the rank of each state in premium volume, as prepared by Crop-Hail Assn. in its preliminary report, are given below:

State	Rank by Premium Income	Premiums \$	Losses \$	Ratio %
Alabama	40	31,621	2,900	13.4
Arizona	18	974,818	540,997	55.5
Arkansas	33	123,494	4,942	4.0
California	28	169,208	219,011	129.4
Colorado	13	1,844,511	2,419,150	131.1
Connecticut	26	393,551	129,971	33.0
Delaware	45	4,214	3,564	84.5
Florida	27	213,455	53,241	24.9
Georgia	19	936,290	144,378	15.4
Idaho	22	713,620	270,900	37.9
Illinois	7	4,145,881	1,443,595	34.8
Indiana	21	796,121	269,564	33.8
Iowa	10	3,767,516	1,650,508	43.8
Kansas	1	9,259,190	5,831,015	62.9
Kentucky	12	2,134,843	517,168	24.2
Louisiana	47	590		
Maine	37	44,645	2,520	5.6
Maryland	38	41,536	5,526	20.3
Massachusetts	34	86,957	10,762	12.3
Michigan	35	67,870	24,400	35.9
Minnesota	4	4,131,324	2,418,029	58.5
Mississippi	36	62,542	3,953	6.3
Missouri	34	529,019	184,373	34.8
Montana	6	4,377,188	2,802,415	59.4
Nebraska	5	6,036,676	5,019,460	83.2
Nevada	46	676		
New Hamp.	44	4,514	464	10.7
New Jersey	42	12,338	2,327	18.8
New Mexico	14	1,270,908	973,450	76.8
New York	31	133,342	61,463	44.4
No. Carolina	3	7,658,103	1,754,886	22.9
No. Dakota	4	6,171,819	3,150,477	51.0
Ohio	20	188,494	44,673	28.1
Oklahoma	11	2,680,671	853,084	31.8
Oregon	23	650,638	1,303,452	200.3
Pennsylvania	33	110,761	21,209	19.1
Rhode Island	48	497		
S. Carolina	17	1,215,784	374,491	30.8
S. Dakota	9	3,696,587	1,672,830	42.9
Tennessee	20	796,948	211,834	26.5
Texas	2	8,749,000	5,062,241	57.8
Utah	41	18,819	3,765	20.0
Vermont	43	8,378	6,890	82.2
Virginia	15	1,251,601	279,328	22.3
Washington	16	1,348,754	823,611	60.9
West Va.	39	37,351	16,587	44.4
Wisconsin	29	165,971	50,563	30.4
Wyoming	25	452,606	853,806	188.6
Totals		77,566,118	41,297,113	53.2

Since 1944, when premiums exceeded \$20 million for the first time, aggregate premiums and losses and the loss ratio of Crop-Hail Assn. companies have been:

Year	Liability \$	Premiums \$	Losses \$	Ratio %
1944	455,306,115	23,937,062	14,982,745	62.5
1945	545,038,530	29,711,042	17,286,736	58.1
1946	526,088,978	38,471,387	10,079,454	26.2
1947	672,442,537	39,478,879	18,036,419	45.6
1948	646,785,580	32,963,032	15,242,448	46.5
1949	616,097,448	34,121,500	18,543,793	54.4
1950	802,941,463	34,628,345	9,920,979	28.6
1951	701,084,373	33,923,106	20,889,235	61.5
1952	850,928,809	44,384,849	22,379,117	50.2
1953	939,715,848	44,680,103	25,534,637	57.1
1954	1,066,638,570	49,514,908	28,704,067	57.9
1955	1,217,139,949	54,759,618	34,106,624	62.2
1956	1,376,703,773	66,366,540	44,582,866	67.0
1957		69,705,846	44,129,498	63.3
1958		77,566,118	41,297,113	53.2

Field

Ohio Farmers Makes Field Appointments In Ill., Ind.

Ohio Farmers companies have appointed Thomas G. McRae state agent in northeast Indiana and Marion G. Rennels special agent in northern Illinois.

Mr. McRae has been in the home office casualty department in the southern and northern Illinois fields. He will work out of the Fort Wayne office.

Mr. Rennels, who replaces Mr. McRae in northern Illinois, has been with the Ohio Inspection Bureau, and in the southern Illinois field for Ohio Farmers.

Great American Group Appoints Hartigan In Ohio

James R. Hartigan has been named special agent at the company's Columbus office. He will work under the direction of manager John L. Vorse.

Mr. Hartigan has received training at the home office. He has also been traveling in the field for several months with Mr. Vorse.

Smallwood Joins Merchants

Merchants Fire of Denver has appointed E. F. Smallwood special agent under the eastern department manager, D. L. Snyder, out of Harrisburg, Pa. Mr. Smallwood was 14 years with American Casualty and has had 17 years of agency experience.

Atlantic Appoints Wychoff

Atlantic Mutual has appointed Garrett H. Wychoff special agent for Ohio. He will work out of the Columbus office under the direction of J. R. McLeod, manager.

Fitzgerald To Waterbury

Hartford Accident has appointed Joseph M. Fitzgerald claim representative at Waterbury, Conn., succeeding James Meenan, who is entering private law practice. Mr. Fitzgerald, an adjuster since 1951, was formerly at New Haven.

Rand In Carolinas, Ga.

O'Donnell-Lefort State agency of Raleigh, which represents Quincy Mutual Fire, has appointed Kenneth T. Rand special agent for the Carolinas and Georgia.

Jones Royal State Agent

Royal-Globe has appointed O. Robert Jones state agent in Wichita. He has been a special representative in Cedar Rapids and Omaha.

Cowan In Fla. Field

North British has appointed Roy L. Cowan Jr. state agent for Florida with headquarters at Jacksonville. He succeeds the late Henry J. Thornton. Mr. Cowan has had experience in the general agency and local agency business in Florida.

Patterson With Reliance

Reliance has appointed Oliver F. Patterson Jr. special agent in the New York suburban territory. He will assist the production superintendent, Joseph H. Kiefer. Mr. Patterson, previously with Phoenix-Connecticut, has traveled the New York suburban field 6½ years.

A & S

Approve Hospital Plan Rate Change In N. C.

Commissioner Gold of North Carolina has approved a plan to permit Hospital Saving Assn. of Chapel Hill to change its rates for Blue Cross-Blue Shield coverage to allow for differences in various counties. Previously, the rates were based on statewide experience.

Under the new plan, rates will be determined by county experience, except for groups which develop an earned premium of more than \$5,000 annually. On larger groups, rates will be determined by their own loss experience. The order does not apply to Hospital Care Assn. of Durham.

American Casualty Has Special Christmas Plan

American Casualty has developed a sales promotion program stressing the use of its small group major medical plans as the ideal Christmas gift for employees. The cost of such a program is reasonable, and the employer can budget his tax deductible premium dollars by convenient monthly payments. A promotion kit sent to agents includes full color Christmas pre-approach letters, cards and sales folders describing the five small group major medical and comprehensive major medical plans offered.

Danielson Heads L.A. A&S Unit Of Continental Cas.

Continental Casualty has appointed Peter A. Danielson accident and health branch manager at Los Angeles. Mr. Danielson has been supervisor of the diversified risks section of the special risks division at Chicago. He joined Continental Casualty in 1952.

Zurich has promoted L. H. Howard to district group manager of the A&S department at Atlanta. Mr. Howard joined Zurich's Illinois Central Railroad Group Insurance Bureau in 1932 after leaving the claims department of the I.C.R.R. Since 1952 he has been administrative assistant to the group department in Detroit.

Cravens, Dargan Name Shropshire In Amarillo

Cravens, Dargan & Co., has named Warren T. Shropshire multiple-line special agent at Amarillo.

Mr. Shropshire has been in the home office at Houston doing special work. He will work under George F. Simmons, Panhandle manager for the company.

Rosengren Succeeds Thomas

Phoenix of Hartford has appointed John P. Rosengren superintendent of the casualty and bonding department at Minneapolis. He succeeds P. J. Thomas, who has entered the agency business.

American has appointed Edward P. Lyons staff supervisor in the claim department at Minneapolis. He joined the company as an adjuster at Kansas City in 1946 and became claim supervisor at Denver in 1953.

Merchants Fire of New York has declared a five cent extra dividend, payable Dec. 5 to holders of record Nov. 14.

Five Year Fidelity Loss Siege Will Get Worse Before Improving: Bennem

(CONTINUED FROM PAGE 8)

is not sufficient and that some basic rate revisions are necessary, he said.

Mr. Bennem also discussed the growing realization of business executives of the need for a well planned and continuing program of internal control and audit; better approaches to the problem of how best to determine what constitutes a reasonable amount of fidelity insurance, and the changing character of available types of fidelity coverage.

Urge Stronger Systems

Business systems must be strengthened so that the opportunity for employee dishonesty is reduced and so that, if an employee does steal, the chance of covering up the default for any great length of time is remote, he advised.

He noted that in the past banks with safeguards making a successful raid difficult were seldom selected as targets for hold-ups. It was safer and much more profitable for the bandits to attack the unprepared institution. Years ago his company undertook a special loss prevention campaign for the benefit of and in cooperation with bank clients. While the initial effort concerned ways and means of defeating the three chief kinds of attack by bank bandits—the early morning ambush, the day-time robbery, and the hold-up of bank messengers—the program was soon expanded to fidelity losses. Here American Surety cooperated with bank clients in reviewing the many phases of employee activities and considered controls to reduce temptation and to bring to light quickly any wrongdoing. This program has continued throughout the years. It should be noted that premium costs for banks and commercial concerns have continued unchanged, and in some instances have been decreased during recent years when practically all other costs have increased steadily.

System Good Only If Worked

Internal control should be the responsibility of a senior officer to oversee the system and to review it periodically, Mr. Bennem believes. When reviewing a claim case to determine whether a weakness in the system made the default possible, Surety Assn. finds all too often, that while the designated method of operation was good, it failed to function through neglect, he said. "Make sure your system provides effective controls and make doubly sure it speaks continuously," Mr. Bennem warned. Also, anything can be stolen. Thus any control system should go beyond supervision over money and securities and include, as far as possible, merchandise, equipment and other property. While most fidelity claims are due

to the stealing of money or securities, claims have been made for loss of automobiles, business machines, flour, gasoline, liquors, medicine, paper, radios, seed, threshing machines, typewriters and wheat. A defaulter once stole all the assets of an employer except the building. But this was exceeded by a defaulter who mortgaged a building for more than it was worth and stole the proceeds. A building superintendent stole from his employer by selling the door of an unoccupied fur storage vault and all the radiators and washbasins in an almost totally unoccupied building, of which he had charge.

How much fidelity coverage is proper? Financial institutions have the assistance of minimum amounts suggested by the insurance committee of American Bankers Assn. Also, it is now possible for a commercial bank to get excess fidelity coverage in the uniform amount of \$1 million at a very moderate cost.

Commercial Firms Now Have Index

But, he said, commercial firms have had to decide the proper amount of coverage without the benefit of an industry guide or schedule of amounts. Because of this, Surety Assn. recently made a study of management exposure to employee dishonesty through a survey of losses of \$10,000 or more sustained by commercial insured over a 10 year period. This study covered exposure factors such as total assets, goods on hand, gross sales or income, nature and size of business, and the number of employees.

In 65% of the losses studied, insured did not carry sufficient dishonesty insurance, Mr. Bennem noted. It was apparent there was no gauge whereby the maximum possible loss could be determined, since there is no limit to the possibilities of employee dishonesty. It was possible, however, to relate certain factors to the amount which had been stolen in a large number of actual instances. These factors have been utilized in a formula designed to gauge the minimum coverage appropriate for a commercial risk of any size.

The formula contemplates that a figure representing 5% of the value of goods on hand; 20% of other current assets, and 10% of annual gross sales or income will serve as a dishonesty exposure index, from which the minimum bond coverage is determined.

Because of the comprehensive nature of the bankers blanket bond, new types of losses not previously contemplated are arising from time to time. Whether or not these additional losses will eventually require some modification of coverage or some



...and so you see, Bill,
*P. N. is different, progressive, and
profitable for producers.*



**PACIFIC NATIONAL
INSURANCE GROUP**

PACIFIC NATIONAL FIRE INSURANCE COMPANY
MANUFACTURERS CASUALTY INSURANCE COMPANY

San Francisco, California • Philadelphia, Pennsylvania • Skokie, Illinois • Atlanta, Georgia

NORTH AMERICA LEADS IN REINSURANCE, TOO

A stable market for you

INSURANCE BY NORTH AMERICA

Insurance Company of North America, Philadelphia



25 Years

of outstanding personal service to insurance companies.

A. E. STRUDWICK CO.

REINSURANCE BROKERS

Exclusively

810 Baker Building
Minneapolis 2, Minnesota
Federal 9-5847

208 South La Salle Street
Chicago 4, Illinois
Central 6-9141

adjustment of rate, remains to be seen, he said.

The blanket position bond provides good fidelity coverage for the commercial firm but the buyer is apt to give too much weight to the possibility of a substantial loss committed by a single employee. The employer is better protected by primary commercial blanket bond coverage in a substantial amount, under which the coverage applies to any one loss whether caused by one or more employees.

The blanket crime policy represents

the most modern improvement in the commercial field. He said it was promulgated about a year ago, designed to fit the needs of a great variety of insured—small, medium and large—who desire broad protection in a single amount considered appropriate for their over-all risk. The "package" includes these mandatory insuring agreements: Employee dishonesty coverage (commercial blanket form), loss inside premises coverage, loss outside premises coverage, money orders and counterfeit paper currency

coverage, and depositor's forgery coverage. The opportunity to purchase proper and adequate coverage is improved where the employer is able to consider insurance requirements on an over-all basis rather than on the basis of each of the individual exposures, he said. In most cases, the blanket crime policy provides improved protection with the cost benefit that goes with package coverage.

R. C. Wilkerson Inc., Vicksburg general agency, celebrated its 50th

year of representing Agricultural and received a plaque honoring it from Jules Simoneaux of Henry A. Steckler Co. of New Orleans, general agents in Louisiana and Mississippi for Agricultural. Mr. Simoneaux, who was accompanied by E. R. McKay and Robert Gatling, both of Steckler Co., also presented Robert C. Wilkerson Jr., present head of the agency and son of the founder, with a grandfather clock.

make sure
your clients
and prospects
budget for bonds
on employees—



only 1 out of 10 has it—
yet American Surety
makes it so simple for
agents to sell!



Right now, all over America, businessmen are budgeting for expenditures in 1959. But how much for bonds on employees? In 9 out of 10 cases the answer is zero... nothing budgeted for the serious danger of employee dishonesty. Yet employee dishonesty totaled over \$500,000,000 last year!

Here's a wide open sales field for you. And American Surety makes fidelity bonds easy to handle—because fidelity bonds have few exclusions and are simple to explain! With our convenient Blanket Crime Policy, your clients and prospects get five-way coverage, including employee dishonesty, for one modest, easily-budgeted premium.

AMERICAN SURETY
COMPANY
FIRE • FIDELITY AND SURETY BONDS
CASUALTY • INLAND MARINE

Affiliate: The American Life Insurance Company of New York

100 Broadway, New York 5, N. Y.

The information and assistance you need to sell fidelity bonds are always available. Send today for two issues of our MAILROAD to PROFITS—"Employee Dishonesty Insurance" and "The Blanket Crime Policy". Both are easy to understand and filled with salespoints to help you work this ready market.



AMERICAN SURETY COMPANY
Agency & Production Department
100 Broadway, New York 5, N. Y.

Please send me copies of "MAILROAD to PROFITS" featuring Employee Dishonesty Insurance and the Blanket Crime Policy.

Name _____
Agency _____
Street _____
City _____ Zone _____ State _____

Policy Data Significant In Conn. Agency Survey

In discussing the Connecticut agency cost survey, compiled jointly by Connecticut Assn. of Insurance Agents and NAIA, Lawrence F. Smith, NAIA director of education, pointed out to the Connecticut agents at their annual convention that the policy writing data was in many respects the most significant part of the survey. Of the 58 agencies participating, just 39 answered the policy writing questions. The 39 who answered processed a total of 77,395 policies during the 12 month period ending Dec. 1, 1957, and the total expense incurred was \$974,854, or an average processing cost per policy of \$12.59.

In the analysis of net commission income, figures show that commissions on dwelling package policies, which were non-existent at the time of the last NAIA agency cost survey in 1953, comprise 10.3% of the average agency's total net commissions. Automobile liability and PHD commissions constituted 41.6% of the average agency's total net commission income, and averaged 20.5% of net automobile premiums. This indicates the effect any reduction in auto commissions would have on the financial stability of the agency. Mr. Smith said according to the survey, if auto commissions should be reduced five points as a result of a reduction in acquisition cost factor in rate filing by the bureau, the average loss to each agency would be approximately \$2,250.

Of the other lines, the survey shows that fire commissions represented 24% of the average agency's total commissions, workmen's compensation 5.2%, A&S 2.3%, other casualty 10.7%, bonds 2%, marine (inland and ocean) 3.7% and commercial package policies 2%.

Hartford Fire group, in cooperation with National Broadcasting Co., sponsored a special program of election returns on WNBC-TV, channel 30. More than 300 persons gathered and tabulated election results, which were announced by a staff of five, including Sereno Gammell and John Borland of Hartford Fire.

**Wm. H. McGee
& Co., Inc.**

MARINE UNDERWRITERS

111 John Street, New York 38, N. Y.

Atlanta Philadelphia
Baltimore San Francisco
Boston Seattle
Chicago Toronto
Columbus, O. Montreal
Dallas Cuba
Houston Porto Rico
Los Angeles Honolulu
New Orleans Trinidad B.W.I.

OCEAN MARINE
INLAND MARINE
HOMEOWNERS' COMPREHENSIVE
MANUFACTURERS' OUTPUT
and similar covers



ural and
it from
Steckler
agents in
or Agri-
who was
Kay and
kler Co.
Wilkerson
ncy and
ndfather

cant

urvey

ut agen-
intly by
e Agents
n, NATA
l out to
r annual
writing
he most
. Of the
just 30
uestions
essed a
g the 12
957, and
as \$974-
cost per

mission
missions
, which
e of the
in 1953,
e agen-
tomobile
ns con-
agency's
ne, and
tomobile
e effect
missions
stability
accord-
missions
ts as a
quisition
the bur-
a agency
0.

y shows
ted 24%
commis-
on 5.2%,
%, bonds
n) 3.7%
cies 2%

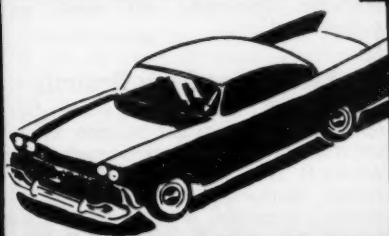
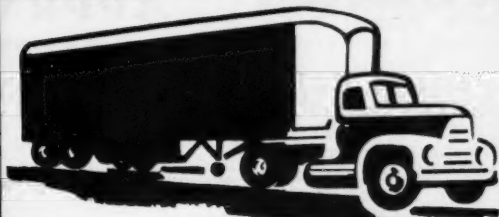
operation
o., spon-
election
nnel 30.
red and
ch were
ncluding
rland of

NSIVE



NOW

**YOU
CAN
GIVE
YOUR
ASSUREDS**



**AMERICAN SERVICE
ON AUTO GLASS
REPLACEMENT TOO!**

**CALL
MO 4-1100**

1030-42 N. Branch—Chicago—MOhawk 4-1100

American Glass Company

3156 E. Woodbridge—Detroit—LO 8-1060



THE CROWN LIFE OF CANADA

First in tradition . . .

From its inception in 1900, the Crown Life has held uncompromising principles, which have guided its management into building the largest Canadian life insurance company organized in the twentieth century.

H. R. Stephenson, who, in 1912, joined the Crown Life as Actuary and in 1919 became General Manager, is still its active President.

To this day, his first principle—"Pay the most possible to the man who writes the business" stands as the cornerstone of our agency policy.

Modern as tomorrow . . .

Blending traditional management with young men and vigorous ideas keeps Crown Life first in new plans, liberal underwriting and top commissions, making its services easier to sell, its compensations more satisfying.

CROWN LIFE

ESTABLISHED
1900

INSURANCE COMPANY

120 BLOOR ST. EAST
TORONTO, ONTARIO



Mr. Agent:
We can lessen
your "load"
with our
prompt service,
facilities, and
insurance
know-how!

**NATIONAL UNION
INSURANCE COMPANIES**

PITTSBURGH • PENNSYLVANIA

Mutual Casualty Methods, Accounting Sections To Meet

The accounting and statistical and office methods and personnel sections of Conference of Mutual Casualty Companies, holding its meeting Nov. 20-21 at the Conrad Hilton in Chicago, has released its program. Fred W. Bishop, Michigan Mutual Auto, is chairman of the accounting and statistical section, and R. S. Wray, Iowa National Mutual, is chairman of the office methods and personnel group.

Thursday morning, George A. Sievers, Industrial Engineering Institute of Milwaukee, will speak on "Overcoming Resistance to Change." A panel on "Policy Production With Use of Tabulating Equipment" will be moderated by F. Keen Young, Federal Mutual Implement & Hardware of Owatonna, Minn., and panelists are L. M. Speel, Home Mutual; J. R. Hood, Indiana Farm Bureau, and O. C. Huffman, Auto Owners.

In the afternoon the accounting and statistical men will hear a discussion on internal management of calculating departments by Jack Russell, Nationwide Mutual, and R. A. Hellier, of IBM; average reserves by J. H. Pittenger, Shelby Mutual, and uniform evaluation of overdue premiums, by O. C. Moffatt, American Manufacturers Mutual.

The office and methods personnel people will hear a panel on selecting male personnel with Robert R. Leslie, Nationwide Mutual, moderator; Harry S. Hicks, Kansas Farm Bureau; Robert Wendland, Shelby Mutual; and Forest R. Lombard, Nationwide Mutual. Methods and forms control will be discussed by Lyle Schuh, Iowa National Mutual.

Friday morning the accounting section will hear A. W. Babler, Farmers Mutual Auto, on preparation of management reports, and Joseph Glennon of Peat, Marwick, Mitchell & Co., Chicago, on problems of state examinations. The office methods program Friday morning will consist of a panel on employee appraisals. Panelists will be George Knorr Jr., Harleysville Mutuals, moderator; Benjamin V. Hanthorne, Auto Owners; Charles Cherry, State Farm Mutual; Norbert Vanden Heuvel, Farmers Mutual Auto, and Harry W. Menzel, Iowa Hardware Mutual. Arnold Schneider, Western Michigan University, will speak on communications.

Stager Opens New Branch

Albert F. Stager, adjuster, has opened a branch at 922 Niagara avenue, Niagara Falls. It will be staffed by James R. Russ, Edward E. Gress and Henry Morawski. Richard C. Bainbridge, formerly with Emmco, has joined the company at the Buffalo home office of the adjusting firm as physical damage claim manager. Warren C. Herendeen has joined the organization at Rochester as casualty claim manager. The company also operates a branch at Batavia, N. Y.

Waggoner To Speak At Dayton

L. T. Waggoner, vice-president of North America, will be the speaker at the Nov. 19 all-industry dinner of the CPCU chapter at Dayton, O. His subject will be "For Whom the Sales Toll."

John D. Phelan, vice-president of American States, will be in charge of the conferment of new CPCUs. An attendance of more than 250 is expected.

Under- insurance threatens your future

Recent data on fire losses reveal that a surprisingly large proportion of property owners didn't carry enough insurance.

Not only does this mean that much needed insurance isn't being written, but that a loss suffered by an under-insured client may well cost you future business.

What to do? Let an unbiased third party determine the valuation of your client's assets in order to secure proper insurance protection.

For 63 years The American Appraisal Company has been providing the basis for sound insurance programs—through careful, complete and objective appraisals, supported by facts that will stand investigation.

American Appraisal reports for your clients are good protection for you.

LEADER IN PROPERTY VALUATION

**The
AMERICAN
APPRAISAL
Company®**

Home Office: Milwaukee 1, Wisconsin
Offices in 18 cities coast-to-coast



3

**REASONS
FOR
P/W POLICIES:**

- ★ **Quality**
- ★ **Integrity**
- ★ **Friendliness**

**PROVIDENCE
WASHINGTON
INSURANCE
COMPANY**



20 WASHINGTON PLACE • PROV., R. I.

Says Company Officers Don't Know the Score

(CONTINUED FROM PAGE 5)

fraudulent method used is the phantom passenger, that is a claim put in for an injured person who was not only not injured, but not even in the accident.

Attorneys are required by state law to file with the appellate division the name of the person who refers each case to them. In situations where a repair shop has referred 50 to 100 cases in one year to a lawyer, and certainly in cases where a broker or doctor is referring cases continually to him, there would be grounds for suspicion on the part of the court. Thus, the lawyer who is engaged in misconduct either "forgets" or falsely or inaccurately lists the names of his referrers. This, Mr. Hurley pointed out is deceit upon the court (section 273 of the penal law) in order to cover up solicitation of business (section 270A) both of which are illegal. As a remedy for such misconduct, he suggested that, in addition to an investigation such as the one currently going on, a permanent unit should be formed to check continuously on the referrers filed in the appellate division.

Investigation Findings Secret

In describing his work with the inquiry, Mr. Hurley reminded the brokers that the findings of the investigation are secret and are available only to the court. He commended the New York newspapers for maintaining that secrecy. He also warned against drawing conclusions from the fact that someone had been called in as a witness. This does not necessarily mean that he is under investigation, but perhaps that he is only being asked for information. Drawing unwarranted conclusions from someone's appearance at the inquiry can be both detrimental to the individual and to the inquiry, he said.

At the conclusion of his talk, Mr. Hurley answered questions put by brokers about the investigation. Why usually moral, honest people feel no qualms about sticking the insurance company (this refers to the clients in these cases), is a sad question in itself, he said. Some people say "I've been paying premiums for years, now I collect." This, of course, is illogical as well as immoral, he said, for they aren't even collecting on their own policies, but someone else's. Also, he pointed out, when a motorist sustains damage amounting to \$100 and is expecting to get that, and a sharp lawyer comes along, takes his case,

and eventually hands him a check for \$2,500—the client should complain? To the question of why stock companies are so much more generous in paying claims and allowing such exorbitant claims to be put over on them, while mutual companies don't, and tend to fight these cases much more, Mr. Hurley said he was at a loss for an answer.

Trebilcock Heads Company Advisory Unit Of NAMIA

At the annual convention of National Assn. of Mutual Insurance Agents in New York, Norman Trebilcock, vice-president of Badger Mutual, was elected chairman of the company advisory conference committee. O. C. Lee, vice-president of Harleysville Mutual, was elected vice-chairman, and F. Bradbury Esau Jr., treasurer of Pawtucket Mutual, secretary.

Underwriting Loss In Peerless' Third Quarter

Peerless had an underwriting loss of \$543,540 in the third quarter. Earned premiums for the third quarter were \$13,366,184. Investment income of \$556,724, coupled with a net realized gain of \$44,278, plus adjustments for taxes, etc., produced net income of \$63,120.

Policyholder surplus increased to \$8,430,357 at Sept. 30 from \$8,039,898 at Dec. 31.

Spurway At Manchester

American Casualty has appointed H. Richard Spurway resident manager at Manchester, N. H., to succeed John J. Kelley who has assumed production responsibilities at Boston.

Three Retire After 125 Years

On Oct. 31, three employees of Ohio Inspection Bureau, whose years of service total 125 years, retired. Miss Herberta Bragg, auditor in the Cleveland office, came with the bureau in 1917; Mrs. Mabel Courtwright, auditor in the Columbus office, was employed in 1919; and Miss Lillian Jane Roush, secretary and stenographer in the Youngstown office, joined the bureau in 1914.

Royal-Globe has appointed William H. Moore regional bond superintendent in Nashville, and Sidney C. Thomas bond special representative for Kentucky at Louisville.

Article On Field Man's Role Prompts Comment

(CONTINUED FROM PAGE 18)

noteworthy and I should like to compliment you not only on its substance, but the manner in which it was written. It is most thought provoking. It serves to remind me that far too many old agency companies have long forgotten how to sell or how to go about beginning to sell.

A very excellent article on field men's star billing. You apparently did a lot of leg work and talked to many men who "know."

The field men who have retired and those who are ready to retire are heaving great sighs of relief and are happy to get out of the rat race. The rest of us "old timers" are continuing the fight against the things you mention to the best of our ability while the younger field men shrug their shoulders and say, "so what!"

The article on field men has a lot of meat in it, and we wish to see that

all of our field men receive a copy of it.

Your article on field men has created considerable interest among the special agents in this section.

We are looking forward to a subsequent story which we hope will be printed. The ax has already fallen in the offices of two large companies in our territory, so, naturally, we are anxious to know how fast this program will move country-wide.

Travelers Promotes Three

Travelers has promoted Joseph R. Murph, Shreveport, La., James W. DeJarnatt, Longview, Tex., and Charles S. Sanford Jr., Fort Worth, to supervising adjusters. Mr. Murph joined the company in 1942 at Shreveport, and eventually became district adjuster there. Mr. DeJarnatt has been with Travelers since 1948 and was district adjuster at Longview. Mr. Sanford joined the company in 1946, and was named district adjuster at Fort Worth in 1953.

OUT IN THE COLD

Another Hot Prospect got away because this salesman didn't have a complete line of competitive plans (and at competitive commission rates). If this happens to you . . . ask ANICO about their Brokerage line of

- Competitive Policies
- Special Plans
- Competitive Commissions



ANICO SALES LEADERS

Family Policy.
\$10,000 minimum special.
\$25,000 minimum special.
Life with Family Income to age 65.
Income Conversion Rider.
Annuities.
All forms of A&H.
Complete line of mortgage protection.
Pre-Authorized Check plan.
Gtd. Issue on Pension and Profit-Sharing plans.
Family Income Term Policy.

Openings everywhere in territory for REPRESENTATIVES, BROKERS, SPECIAL BROKERS

Inquiries about these or other openings for those with special qualifications and experience will receive prompt attention and answer. For information address:

COORDINATOR OF SALES

OPTIMISM

An agent may be a little less informed, or less enthusiastic, or less ambitious than he should be—and he can still be successful. But without a positive, optimistic attitude, he's doomed to failure in this highly specialized selling field. Optimism is the life-blood of every leading insurance agent we've ever known. And, quite naturally, we do everything possible to keep our agents that way!

PAN AMERICAN

Fire & Casualty
Company



Insurance
Company

EARL W. GAMMAGE, PRESIDENT

T. EARNEST GAMMAGE JR., EXEC. V. P.

P. O. BOX 1662

HOUSTON 1, TEXAS

AMERICAN NATIONAL
INSURANCE CO.
GALVESTON, TEXAS

OVER FOUR AND ONE THIRD BILLIONS IN FORCE

get a
bigger
slice of
Dwelling
Insurance
Business
with
PEERLESS
DWELLING PACKAGE
INSURANCE
PROMOTION KIT

made the easy way
with the help of the
PEERLESS
Dwelling Package Insurance
Qualifying Promoters' Kit

COMPARE COST AND COVERAGES
PRESENT INSURANCE

SALES CONVINCERS FOR PEERLESS DWELLING PACKAGE INSURANCE

Sales Convincers

CONSUMER
SALES BROCHURE
NEWSPAPER ADS
FOLLOW-UP
LETTERS
APPLICATION
FORMS
SALES AIDS
PROSPECT
FINDING GUIDE

Ready to sell for you: The complete Sales Tool Kit that has been delivering more bread-and-butter Dwelling Insurance business to Peerless agents everywhere. A potent, productive new profitmaker!

PEERLESS INSURANCE CO. KEENE, NEW HAMPSHIRE

ROBERTSON, HALL & HENSHAW, LTD.

GENERAL INSURANCE
REINSURANCE
SAFETY ENGINEERING

EXCESS & SURPLUS LINES

1510 Drummond St.

Montreal, 25, P.Q.

Victor 2-9881

Enquiries from Brokers Solicited

Ariz. Revision Of Fire Rates Boosts Some 20%. Reduces Others 25%

Arizona fire rates have undergone their biggest revision in 15 years, with some homeowners now paying up to 20% more and others as much as 25% less.

Rates on frame-type residences have jumped approximately 20%, while those on brick or masonry dwellings will drop as much as 25%. Increases for frame-type homes and a corresponding increase in most commercial building rates exceed rate decreases and will result in an average increase of about 3%.

Ky. Requires Facsimile Of Interstate Covers Showing The Kentucky Data

Commissioner Thurman of Kentucky has issued a ruling requiring companies issuing interstate multiple location policies which include Kentucky risks to issue a separate facsimile or underlying policy for the Kentucky business. The facsimile must include all provisions of the original policy applicable to the Kentucky risks, including the premium for the Kentucky business. The facsimile must be countersigned by a resident agent and a copy of the daily report forwarded to the countersigning agent for his records.

Non-resident agents originating or cooperating in the procurement of the interstate business will be made jointly responsible with the insurer for delivery of the facsimile.

Brokers To Hold Annual Parley In N. Y. May 11-14

The governing committee of National Assn. of Insurance Brokers, at a meeting in New York, decided to hold the annual meeting of the organization May 11-14 in New York, at the Waldorf-Astoria. Alexander Heid Jr. of New York is chairman of the arrangements committee for the host association, Insurance Brokers Assn. of New York State.

The NAIB's products research committee has started a study of commercial property floater, industrial property floater, and the manufacturers output, it was announced. The study was undertaken in view of Multi-Peril Insurance Conference plans to review and redraw these coverages for possible consolidation.

Form IASA Chapter

A new mid-Atlantic chapter of Insurance Accounting & Statistical Assn. has been organized in Washington, D. C.

Eight insurers in Richmond, Baltimore and Washington and the insurance department of Veterans Administration, are members of the new chapter, which is the 10th in the U. S. and Canada.

Officers are R. G. Diepenbroek, Peoples Life, Washington, president; Edward W. Cosling, Baltimore Life, vice-president; W. T. Emory, Home Beneficial Life, Richmond, secretary; and R. H. Winkleman, Firemen's of Washington, D. C., treasurer.

Continental Cas. Names Nelson

Thomas E. Nelson Jr. has been promoted to liability underwriting manager at Dallas. He had formerly been a liability underwriter at Detroit. Mr. Nelson joined Continental in 1954.

AROUND THE CLOCK



JOHN H. HUNT & CO., INC.

CHICAGO OFFICE
330 S. Wells - Chicago, Ill.
HARRISON 7-0830

ELMHURST OFFICE
118 S. York - Elmhurst, Ill.
TERRACE 4-9480

WAUKEGAN OFFICE
215 W. Water St.
Waukegan, Ill.
DELTA 6-8322

JOLIET OFFICE
4 E. Clinton - Joliet, Ill.
JOLIET 2-5634

GARY, IND., OFFICE
1228 W. 5th Ave. - Gary, Ind.
TURNER 2-9338

ELGIN OFFICE
100 E. Chicago St. - Elgin, Ill.
SHERWOOD 2-2420

McHENRY OFFICE
Box No. 517 - Route No. 6
McHenry 3216-7



HOTEL TULLER

...featuring convenience, comfort, quality! A cosmopolitan atmosphere in home-like setting. In the center of all downtown activities. Newly decorated. Ultra modern, comfortable guest rooms... excellent food at moderate prices in our modern coffee shop and cafeteria.

Radio and Television in room.
Air Conditioned rooms in season.

800 ROOMS
WITH BATH from \$4
GARAGE available at nominal charge. Free overnight parking for registered guests in PARKING LOT.

FAMILY RATES
No Charge for Children
12 and Under —

Harry E. Paulsen, General Manager
FACING GRAND CIRCUS PARK

DETROIT

Eye International Aviation Problems

At the annual meeting of International Union of Aviation Insurers in Garmisch-Partenkirchen, Germany, W. de Vlaming of Holland, president, noted the introduction of turbo-jet aircraft, with values more than double previous equipment, constitutes one of the chief problems facing the aviation insurance market. The meeting was attended by 60 delegates and observers from 21 countries.

The aviation market, however, Mr. de Vlaming believes, will be able to supply the demands for coverage posed by jet planes.

He said that, contrary to the belief apparently held in some quarters, the union is not a rate fixing organization, and it never has interfered with the commercial activities of its members. Proof of a highly competitive market lies in the constant decrease in rates, to a point far below the "acceptable economic value" of the coverage.

Similar Pattern In Marine

R. H. Jennens of England warned insurers against following in aviation the line of marine underwriters of writing business which assuredly would produce losses for the reinsurers.

The need was emphasized for immediate study of nuclear risks, and a special nuclear subcommittee was appointed.

A further deterioration in underwriting results in the past year was noted. While premiums increased because of increasing air operation around the world, claim costs have more than offset the rise in volume. This condition is common to all markets and has been progressively evident for five years. U. S. stock insurers indicated they had a loss ratio of 103 over the past three years on aircraft liability alone. Similar results in the British market, according to discussion at the union meeting, suggest underwriters need seriously to review their positions.

Mr. de Vlaming was reelected. A. J. Smith, president of U. S. Aviation Underwriters, and Mr. Jennens were elected vice-presidents. The 1959 meeting will be held in Spain.

George E. DeWolf, Jewel Tea Co., has been appointed a director of the Chicago chapter of American Society of Insurance Management to fill the unexpired term of L. R. Butzen whose new job assignment with Montgomery Ward & Co. has required him to resign the office.

Bituminous Casualty Opens Detroit Branch

Bituminous Casualty has opened a branch office at Detroit, its 17th and the third this year.

Robert C. Rariden is manager; B. L. Dailey is claim manager, and Edgar S. Ferguson safety engineer. Mr. Rariden has been in the casualty business in Michigan for seven years; Mr. Dailey has been assistant claim manager for Bituminous at Louisville, and Mr. Ferguson is a veteran of the engineering and construction fields.

NYFIRO Drops EC 3 Plan

New York Fire Insurance Rating Organization has withdrawn all extended coverage No. 3 rates, effective Oct. 27. The EC 3 rating plan, in effect in New York state for many years, was applied to superior risks, mainly of the sprinklered class, and provided coverage against the leakage of fire protective equipment as well as the perils generally included under EC 4, but limited with respect to the explosion peril.

Simultaneously with the withdrawal of the EC 3 plan, the rating organization made a new plan available upon application, for risks of superior construction and protection which qualify under the rules. With few exceptions, the new rules use the present EC 4 forms and rates, subject to credits applied by the bureau. A \$250 loss deductible clause is mandatory. Additional credit is provided in the case of manufacturing risks when a restrictive explosion clause is used. Rate credits under the new plan also apply to vandalism and malicious mischief, and to sprinkler leakage coverage when written for the same amount as the fire coverage and made part of the same policy.

Ind. In "Liberal" Ranks In Interpretation Of Auto Omnibus Clause

U. S. circuit court of appeals has upheld a federal court ruling which established Indiana as a so-called "liberal" state in interpretation of the omnibus clause in an auto liability policy. In the original decision, Federal Judge Steckler favored the plaintiff in the case of Arnold vs State Farm Mutual Auto, wherein Horace Arnold was awarded \$11,786 damages when his son, Robert Arnold, 18, was killed by a truck driven by a farm hand, who had borrowed it and was using it beyond the area implied in the owner's

permission. State Farm had sought to deny liability. The circuit court upheld Judge Steckler, stating that coverage must be given "even though there was a deviation in the driver's use of the motor vehicle."

The farmhand, Lowell L. Gibbons, regularly borrowed his employer's truck for use between the farms of his employer. On the day of the accident, however, he drove 15 miles beyond the farms to buy liquor, and was 11 miles beyond the area implied in the owner's permission when he struck Robert Arnold.

Preferred Exchange of Seattle has withdrawn from the taxicab business. The company has been writing a substantial portion of the taxi business in the northwest for several years at less than bureau rates.

Taintor Is Assistant Secretary Of Aetna Fire

Nelson C. Taintor Jr. has been elected an assistant secretary of Aetna Fire. He has been assistant manager at Buffalo. He will be assigned to the middle and foreign departments when he leaves Buffalo in December to go to the home office.

He joined the company in 1949 and became special agent at Rochester. He transferred to Buffalo in 1951, and became assistant manager there in 1958. He is a CPCU.

Martin Boyer & Co., adjusters, have moved to larger offices in the Board of Trade building, Chicago. The firm has taken 85% more space after completing 11 years in business. The new phone number is HA 7-1660.

What's
Missing
FROM
THIS
PICTURE
?



*Yes, the young lady's fully prepared for the elements, except for that missing umbrella. Nothing is missing from your insurance picture, however, when you place your insurance problems in the hands of your local insurance agent. With his valuable knowledge of local conditions, your insurance agent can interpret adequate coverage for his clients and offer expert advice on the amount of protection needed. Not only that, but he is well qualified to survey your existing policies and bring your protection up to date. Your local agent's years of experience with long-established companies, and his friendly counsel invite your consideration.

Two-color reprints of this advertisement without Company name are yours for the asking. Write us.



**PAWTUCKET MUTUAL
INSURANCE COMPANY**

25 MAPLE STREET, PAWTUCKET, R. I.
Incorporated 1848

REINSURANCE

Through Intermediaries Only

FIRE—CASUALTY

THE STUYVESANT INSURANCE COMPANY

Executive Offices
1105 Hamilton St., Allentown, Pa.
HEmlock 5-3541

Reinsurance Department
309 West Jackson Bvd., Chicago 6
WAbash 2-7515

Editorial Comment

Forms, Endorsements, Five For A Penny

In today's search for savings one area that is coming under scrutiny in both the casualty and inland marine is forms. Whether the casualty business will tackle the job of making forms and endorsements uniform, wherever possible, is still an open question. In inland marine about half the business is not subject to such simplification since the lines producing the premiums are not regulated. But about half the business is highly susceptible to simplification in this way.

One factor that has tended to dissuade the casualty and inland marine companies from moving toward uniformity—and consequent saving of cost—is that some of the insurers have

their own printing plants.

The fire business has fought the battle of variation in forms and endorsements, with good results. In this connection, the report of the central forms committee at New York, which administers the production for 444 companies of forms and endorsements for the homeowners and comprehensive dwelling policies, is interesting. For 1937, the committee, with its uniform forms and endorsements, administered the production of 43,317,327 forms at a total cost of \$87.89, or an average of \$2.03 per 1,000.

The savings effected by the committee have come from standardization and large orders at lower per unit prices.—K.O.F.

A Step Toward Safer Highways

It is just possible that the beginning of the end of the slogan era in traffic safety work is in sight. We could hope so. Slogans may have helped to prevent some of the accidents that didn't happen; undoubtedly they did. But they did not and do not represent a realistic approach to the kind of problem with which they aim to deal—the tremendous burgeoning of highway horror that has characterized the years since World War II (and even before that).

The place to tackle the traffic accident problem is at the point of driver licensing where the state can take off or keep off the highways the driver who is unfit to drive. Until this is done, we are not going to have "normal" accidents in normal quantity on the highway—we are going to continue to have what we have today.

A step in this direction has been taken. Memphis & Shelby County Medical Society, as reported in a talk to Insurers of Tennessee by Dr. John D. Hughes, president, is collecting data on the medical condition of those involved in accidents, from their family physicians. Their purpose, which will take several years, perhaps, to achieve, is to get together an irrefutable body of facts that will prove to legislators that persons with certain medical conditions should not be granted the privilege of driving. Then the legislature will be asked for law that will keep such persons off the highways.

The tolerance of the public for car carnage is, it must be concluded, insatiable. Otherwise, the populace long ago would have insisted on measures to reduce highway horror. But the tolerance of the automobile insurance business already has reached the area of nervous and financial breakdown.

Consequently, it is refreshing news to hear that the doctors of Tennessee (and several other localities) are after some scientific facts to provide a standard for driver licensing. They already know that drivers with cataracts, excessively high blood pressure, and convulsions should not be giving the gas to two tons of metal

driven by 250 to 300 h. p. along streets and highways populated by hundreds of other cars and pedestrians.

Only one further step seems necessary—to apply standards to the granting of driving licenses which will take off and keep off the road also the schizophrenics, the dementia praecoxes, the excessive anxiety states, and their ilk.—K.O.F.

Personals

Nelson I. Beers who was recently elected president of Connecticut Assn. of Insurance Agents has been active in the association for many years, holding various offices and serving on the executive committee prior to becoming vice-president. He has been in the insurance and real estate business in Old Greenwich for 20 years, except for service in World War II. He is past president of the Greenwich board, was chairman of the Greenwich board of tax review six years and is presently a member of that town's representative town meeting and Republican town committee.

Mr. Beers last week survived a Democratic landslide in his state to win a seat in the state legislature.

In his younger days Mr. Beers spent several years in Alaska where he did survey work staking out mining claims along the Yukon-Alaska boundary. He worked as a civil engineer for the Alaska road commission (U. S. War Department) and also for three years on construction of the 8th avenue subway in New York City. In 1935 he was admitted to the Alaskan bar and did considerable municipal corporate bond work.

Charles Boswell, head of the agency bearing his name, will become mayor of Indianapolis Jan. 1. Mr. Boswell, presently city controller, will move into his new office when Mayor Phillip Bayt assumes the position of Marion county prosecutor.

Frank Holm, former advertising manager of Fireman's Fund, has been elected vice-president and a director of Thomas Bros. Maps, map publishers at Los Angeles. He has been manager there and will continue to direct sales

and production in southern California for the immediate future.

Bernard L. Boutin of Laconia lost his bid for the governorship of New Hampshire to Wesley Powell, Republican candidate, but made the best showing by a Democrat in 18 years. He had a clear majority in the state's 13 cities but was defeated by the small town votes.

Natalie Fisher, advertising manager of Employers Liability, has resigned to enter another business in Needham, Mass. Miss Fisher was a member of the executive committee of Insurance Advertising Conference.

Deaths

CARL P. DANIEL, 61, president and treasurer of the Daniel & Henry Co. agency of St. Louis, died. Mr. Daniel was born in Virginia and started his insurance career at Greensboro, N. C., in an agency conducted by William B. Merriman. For a time he was assistant manager at Greensboro of National Surety, and after service over seas in the first war he became assistant manager of National Surety at Newark.

In 1920, Mr. Daniel moved to St. Louis to manage the National Surety's general agency surety and burglary department, and in 1921 he formed a partnership with Jesse P. Henry under the firm name of Daniel & Henry. Mr. Henry died in 1944.

Mr. Daniel was a past president of National Assn. of Casualty & Surety Agents. His son, C. Payton Daniel Jr., is a member of the Daniel & Henry agency.

FRANK J. HAYMAN, 60, a 40-year Fireman's Fund employee, died in San Francisco after a short illness. Mr. Hayman joined the organization in 1918, and throughout his career worked in the fire underwriting and fire loss departments.

EDWARD GREENBAUM, 75, president of Maritime Service Corp., New York brokerage firm, died after a short illness. He was widely known in the fur industry as the developer of the furriers' block policy with conversion coverage.

WILLIAM B. MCKENZIE, 43, executive vice-president and treasurer of Illinois National, died in Memorial hospital, Springfield, Ill. Engaged in many civic activities, Mr. McKenzie was a former president of the Springfield board of education and the first president of the local Junior Chamber of Commerce. He had been with Illinois National 22 years.

THOMAS J. REAGAN, special agent in charge of the Davenport, Ia., office of Fidelity & Deposit, died suddenly following a heart attack. He had been a member of the company's organization since 1940 and had been located in Davenport for 12 years.

WALLACE FALVEY, 64, president of Massachusetts Bonding, died of a heart attack in Boston. He lived in Swampscott. Following service in World War I, he joined the company, which had been founded by his father, the late Timothy J. Falvey. For several years he was manager of the company's New York office and in 1947 succeeded his father as president. Mr.

The NATIONAL UNDERWRITER



The National
Weekly Newspaper of
Fire and Casualty Insurance

EDITORIAL OFFICE

17 John St., New York 38, N. Y.
Tel. BEckman 3-3958 TWX NY 1-3000
Executive Editor: Kenneth O. Force.
Associate Editor: John N. Cosgrove.
Assistant Editor: Sheldon Maycumber.

CHICAGO EDITORIAL OFFICE

175 W. Jackson Blvd., Chicago 4, Ill.
Tel. WAbash 2-2704 TWX CG 654
Managing Editor: John C. Burridge.
Assistant Editors: Richard G. Ebel,
William H. Faltyssek and R. R. Cuscaden.

ADVERTISING OFFICE

175 W. Jackson Blvd., Chicago 4, Ill.
Tel. WAbash 2-2704 TWX CG 654
Advertising Manager: Raymond J. O'Brien

SUBSCRIPTION OFFICE

429 E. Fourth St., Cincinnati 2, Ohio.
Telephone Parkway 1-2140.

OFFICERS

Howard J. Burridge, President.
Louis H. Martin, Vice-President.
John Z. Herschede, Secretary-Treasurer.
420 E. Fourth St., Cincinnati 2, Ohio.
Telephone Parkway 1-2140.

SALES OFFICES

ATLANTA 3, GA.—432 Hurt Bldg., Tel. Murray 8-1634. Fred Baker, Southeastern Manager.

BOSTON 10, MASS.—80 Federal St., Rm. 342, Tel. Liberty 2-9229. Roy H. Lang, Southern New England Manager and Dana L. Davis, Northern New England Manager.

CHICAGO 4, ILL.—175 W. Jackson Blvd., Tel. WAbash 2-2704. A. J. Wheeler, Chicago Manager. R. J. Wiegman and William D. O'Connell, Resident Managers.

CINCINNATI 2, OHIO—429 E. Fourth St., Tel. Parkway 1-2140. Chas. P. Woods, Sales Director; George C. Roeding, Associate Manager; Arthur W. Riggs, Statistician.

CLEVELAND 14, OHIO—1367 E. 6th St., Lincoln Bldg., Rm. 208, CH 1-3396. Paul Blesi, Resident Manager.

DALLAS 1, TEXAS—309 Employers Insurance Bldg., Tel. Riverside 7-1127. Alfred E. Cadis, Southwestern Manager.

DENVER 2, COLO.—234 Commonwealth Bldg., Tel. Amherst 6-2725. J. Robert Ebelhardt, Rocky Mountain Manager.

DES MOINES 9, IOWA—327 Insurance Exchange Bldg., Tel. Atlantic 2-5966. D. J. Stevenson, Resident Manager.

DETROIT 26, MICH.—613 Lafayette Bldg., Tel. Woodward 5-2305. William J. Gessing, Manager for Indiana and Michigan.

INDIANAPOLIS 20, IND.—5634 N. Rural St., Tel. Clifford 3-2276. William J. Gessing, Manager for Indiana and Michigan.

MINNEAPOLIS 2, MINN.—1038 Northwestern Bank Bldg., Tel. Federal 2-3417. Howard J. Meyer, Northwestern Manager.

NEW YORK 38, N. Y.—17 John St., Room 1401, Tel. Beekman 3-3958. J. T. Curtin and Clarence W. Hammel, New York Managers.

NEWARK 2, N. J.—10 Commerce Ct., Tel. Market 3-7019. John F. McCormick, Resident Manager.

PHILADELPHIA 9, PA.—123 S. Broad St., Room 1027, Tel. Pennypacker 5-3706. Robert I. Zoll, Middle Atlantic Manager.

ST. LOUIS 2, MO.—221 Pierce Bldg., Tel. Chestnut 1-1634. Geo. E. Wohlgemuth, Resident Manager.

SAN FRANCISCO 4, CAL.—582 Market St., Tel. Exbrook 2-3054. Robert L. McMullen, Pacific Coast Manager.

CHANGE OF ADDRESS

Be sure to enclose mailing wrapper with new address. Allow three weeks for completion of the change. Send to subscription office, 429 E. Fourth St., Cincinnati 2, Ohio.

November 14, 1935
FALVEY
Assn. of
ies, pas
Casualty
former
Council
DAV
at Whi
died at
He be
Syracu
of New
Fore i
the ea
becam
transf
years
ban N
pointe
1949.
MA
presid
Maryl
died s
home
1937 a
cessiv
the Ne
Three
ers &
of Ma
Orlean
manag
THE
dent o
ident
in Eas
Trin
Burk
Geo
branc
O., by
will
centr
Mr
consi
havin
Adjus
Whi
Th
land
son,
Beac
South
man
Birm
tice
Caro
Holl
We
Fort
Calh
man

Falvey was past vice-president of Assn. of Casualty & Surety Companies, past president of National Assn. of Casualty & Surety Executives, and a former director of National Safety Council.

DAVID W. CAVERT, 64, state agent at White Plains, N. Y., of Niagara Fire, died at Delaware Hospital, Wilmington. He began in insurance in 1917 in the Syracuse office of Underwriters Assn. of New York State. He joined America Fore in 1919 as an inspector covering the eastern New York field. In 1920 he became a special agent at Albany. He transferred to Boston in 1922 and three years later was assigned to the suburban New York territory. He was appointed state agent of Niagara Fire in 1949.

MARCEL REMSEN, resident vice-president of the New Orleans office of Maryland Casualty Co. for two years, died suddenly of a heart attack at his home there. He joined the company in 1937 as a claim adjuster, and after successive promotions became manager of the New Orleans claim division in 1948. Three years later he joined Black, Rogers & Co. as a partner. On the opening of Maryland Casualty's office in New Orleans in 1956, he became resident manager.

THOMAS E. SLY, 67, former president of St. Louis Mutual Life and president of the Thomas J. Sly agency, died in East St. Louis, Ill.

Trinity Universal Names Burke In Columbus

George E. Burke has been appointed branch claims manager in Columbus, O., by Trinity Universal of Dallas. He will supervise claims operations in central Ohio.

Mr. Burke comes to Trinity with considerable claims experience in Ohio, having previously been with Western Adjustment.

Whitson Joins Hollis Adjustment

Thomas J. Hollis, adjuster of Orlando, has appointed Richard H. Whitson, manager of the office at Daytona Beach. Mr. Whitson was with Great Southern Trucking Co. as a branch manager, with Market Service at Birmingham, in the independent practice of law, and since 1953 with Carolina Casualty before going with Hollis.

Western Adjustment has moved its Fort Wayne, Ind. office to 2924 South Calhoun street. A. E. Huddleston is manager.



NORWICH UNION-EAGLE Insurance Group



Stocks

By H. W. Cornelius, Bacon, Whipple & Co.
135 S. LaSalle St., Chicago, November 11, 1958

	Bid	Asked
Aetna Casualty	160	180
Aetna Fire	77 1/2	79
Aetna Life	225	230
Agricultural	32	33 1/2
American Equitable	38 3/4	39 3/4
American (N. J.)	29 1/2	30 1/2
American Motorists	15	Bid
American Surety	18 1/2	19 1/2
Boston	34 1/2	35 1/2
Continental Casualty	104	106
Crum & Forster com.	62 1/2	65
Federal	52	54
Fireman's Fund	57	58 1/2
General Reinsurance	67 1/2	69
Glens Falls	35	36
Globe & Republic	20 1/2	22
Great American Fire	43 1/2	45
Hartford Fire	181	186
Hanover Fire	42	43 1/2
Home (N. Y.)	47 3/4	49
Ins. Co. of No. America	117	122
Maryland Casualty	42	43 1/2
Mass. Bonding	42	43 1/4
National Fire	100	105
National Union	41 1/2	43
New Amsterdam Cas.	48 1/2	49 1/2
New Hampshire	43	44 1/2
North River	38	39 1/2
Ohio Casualty	24	26
Phoenix Conn.	82 1/2	84
Prov. Wash.	18	19 1/2
Reinsurance Corp. of N.Y.	17	18 1/2
Reliance	46 1/2	48
St. Paul F. & M.	54 1/2	56
Springfield F. & M.	33	34
Standard Accident	54	55 1/2
Travelers	102	106
U.S.F.&G.	76 1/2	78 1/2
U. S. Fire	26 1/4	29 1/2

Oregon Department Eying Store Group Cover Offer

The Oregon department is investigating an insurance plan being offered to Coast to Coast Stores, Central Organization, Inc. as a possible violation of the code prohibition of fictitious groups and illegal combination of classes of insurance.

The department has requested a complete explanation of the plan including rates, policy forms, and the names of the broker and insurer.

The following coverages for "direct loss or damage" were listed on a memorandum of insurance issued to an Oregon Coast to Coast Store:

(1) Fire & lightning; (2) wind-storm, tornado, cyclone and hail; (3) smoke; (4) riot, civil commotion and strikes; (5) automobile, aircraft and self-propelled vehicles except owners' or tenants'; (6) explosion, except steam boiler; (7) loss or damage to merchandise in transit; (8) water damage as the result of fire and wind-storm (items 1 and 2 above—full coverage); (9) water damage from all other causes—\$200 limit; (10) damage to awnings, signs and decals; (11) rental equipment and merchandise on trial or approval on customer's premises (if not covered by customer's insurance)—\$500 limit for any one loss; and (12) indemnity of \$15 per day during total shutdown for period not exceeding 65 days.

Coast to Coast Stores is a Minneapolis corporation.

Atkinson With Indiana

Indiana Ins. Co. has named J. E. Atkinson as policy forms department manager. Mr. Atkinson, a CPCU, who replaces the late Harry E. Stotts, was formerly with Fidelity Mutual and Indiana Lumbermen's. He is currently president of Indianapolis Casualty Underwriter's Assn.

Frank E. Greene, formerly vice-president of Finnell & Finnell general agency of Detroit, has joined the Sheets agency at Hazel Park, Mich., as manager.



PACE

Makes the Difference

With the *only* Univac computer used by a Surplus lines facility, Geo. F. Brown & Sons sets a fast pace for service. This lightning-fast electronic brain slashes operating time and costs, frees men for the more important job of helping you. And you can easily convert this *bonus* service into bonus earnings.

See what the difference does for you. Place your next special risk with the firm that gives you *fast, bonus* service for Excess and Surplus lines . . .

GEO. F. BROWN & SONS, INC.

175 West Jackson Boulevard • Chicago 4 • WAbash 2-4280
116 John Street • New York 38 • WOrth 4-0745

TEAMWORK in action

—with Lumbermens of Mansfield!

Learn how successful agents profit daily by home office teamwork with Lumbermens of Mansfield.

Meet the Lumbermens team on these pages in the months to come.



the lumbermens mutual insurance company

GENERAL OFFICES, LUMBERMENS HEIGHTS, MANSFIELD, OHIO

A Multiple

Line Company

GOOD WILL POLICIES

ACROSS THE NATION

Established 1895

Effects Of Compulsory On Companies, Commissions And Sales

(CONTINUED FROM PAGE 2)

yond that, of course, there is an even stronger distaste for having the government provide both the compulsion and the means by which it is effected—state or federal funds.

Don't Ruin An Enterprise

The problem is, then, to make insurance more useful without ruining it as an enterprise.

Yet it must be said that the effort of various interests to get, even force, insurance to do more is testimony to the success with which insurance has performed its function and the satisfaction it has delivered.

Compulsory, for example, whatever else it may be—and it is a lot of things which are not attractive—is an expression of public confidence in the idea of insurance—and even a stamp of high approval on the business that keeps the idea working for the benefit of those who buy it. Why shouldn't everybody carry it? This expresses the almost universal attitude of non-

insurance people toward compulsory—and it indicates that insurance occupies a place in the rare category of marriage, church and patriotism.

Good Cure—For Someone Else

The other observation is that the same persons who object to a government fund and compulsion in their own field—newspapers, medicine, farming, store-keeping, etc.—look on the requirement of insurance by every driver as an easy, simple answer to the problem of the financially irresponsible motorist.

Unfortunately, Americans have a proclivity for passing a law to cure an evil and solve a problem. To the man who carries automobile insurance, and probably always has, passing a law to require everyone else to do so seems only justice. It seems also quite a simple way to accomplish the objective.

It isn't simple. It turns out to be one of the toughest jobs of administra-

tion ever faced by a state agency. Why this is not apparent at the outset, when the public and legislators are deciding whether or not to compel all auto owners to be financially responsible, is a mystery.

There was the gruesome example of Massachusetts for all to see and examine. Yet without that, it ought to be apparent that requiring a piece of paper from the enormous auto owner population imposes a gargantuan task of almost impossibly complicated detail which must be constantly and forever corrected, changed and repeated.

Hits Just As Well As Unjust

For what almost no one recognizes, even after compulsory goes into effect, is that this legislation does not simply require the 10 to 30% of auto owners who are uninsured to carry insurance and at all times be able to prove it. It requires 100% of the automobile population to do so. The burden of an enormous, tedious and inevitably faulty clerical routine does not fall on the irresponsible only, a small percentage of auto owners, but upon every auto owner in the state. Like the rain, it falls on just and unjust alike—and everyone gets wet.

Every time there is the slightest movement of a car or coverage, you have to reach into a filing pool of perhaps five to 25 million pieces of paper. Then, if this monstrous clerical maze has been operating with stupendous and superhuman efficiency, the process is successful on the first try. This, of course, assumes that insured has provided the correct information, the agent has done his work properly, the insurance company has processed and despatched its papers in perfect order and with perfect timing, and the motor vehicle

bureau has recorded and filed all these papers with utmost efficiency—and knows precisely where to put its hand on them at all times.

Relationship Is Altered

Compulsory changes the relations of the insurer and insured, along with those of agent and company and agent and client, from a voluntary association of prudent property owner and insurer to an enforced relationship. Insured has to buy coverage, the insurer has to write it—if no other way, then as an assigned risk. Fortunately it appears that there is enough capacity and enough interest in auto insurance to avoid state funds, as in workmen's compensation.

But the threat is there, and indications are that state administrations will not hesitate to create funds to write auto liability if necessary to provide a full market, or to put an existing fund into the auto business.

Before New York passed its compulsory bill, it studied the Massachusetts experience. The insurance department and legislators who were pushing for adoption of compulsory averred that they were not going to make the mistakes Massachusetts made. They were quite determined to pass a better law than Massachusetts, and were sure they could do it.

For one thing, they could see that the structure of the Massachusetts law, with rate hearings and rate approval by the commissioner, put rates in the political arena once a year, and they often stayed there for as long as the legislature met.

So New York inserted in the preamble of its compulsory law a declaration that rate making should not get mixed up in politics but be left strictly to the private insurance business.

Rate making and rates became so promptly embroiled in politics in New York that coincidentally with compulsory New York became the leading state for political interpretation of the

When you "insure to value" these days, consider the extra value in service and dependability of the companies of the New Hampshire Fire Insurance Group.

NEW HAMPSHIRE
FIRE INSURANCE
COMPANY



MANCHESTER

GRANITE STATE
FIRE INSURANCE
COMPANY

NEW HAMPSHIRE



**BRANCH OFFICES IN
PRINCIPAL CITIES**

FIELD SERVICE NATIONWIDE

**INLAND, OCEAN MARINE, YACHT,
AND AIR CARGO LINES**

Appleton & Cox, Inc.

111 John Street, New York 38 New York

economic function of rate making. The companies began to discuss a badly needed rate increase with the New York department early in 1957. No increase has been granted yet, even in part. Long ago the amount of increase they needed ceased being enough to allow them to break even. If the insurers get a rate increase within two years of the time they started talking about it, they will be lucky indeed.

Everyone in Massachusetts at one time or another has cursed the simultaneous Jan. 1 expiration of insurance and automobile registration. New York was too smart to do that.

Yet it now appears that Massachusetts may be as well off as New York in this respect. For the only difference between New York and Massachusetts is that the latter does it once a year and New York does it the year around. It is the basic shortcomings of compulsory and its imposition of detailed record matching and record keeping that are the matter, not simultaneous expiration and renewal.

Other Approaches Are Better

No compulsory law can be "better," simply because the approach is so fundamentally bad. Responsibility cannot be legislated, and compliance can never be fully enforced. Almost any alternative is to be preferred. The insurance approaches, such as uninsured motorist's cover, are better conceptually. They are also likely to be more practical in solving the social problem.

The uninsured motorist coverage, which has been available in many states on a voluntary basis for some months, is mandatory in New Hampshire and Virginia and becomes so in New York Jan. 1. It is an alternative to compulsory. But whether it will stop the demand for compulsory remains to be seen.

Optional uninsured motorist coverage has been in use since 1955. Practical insurance men, working with

UM claims daily, say that administering the coverage is not too troublesome. Over-all, the number of cases that have been taken to arbitration has been small. The subrogation feature permits the insurer that pays an uninsured claim to go to court, to try to recover from the negligent uninsured motorist. In practice, this subrogation is worth very little. The chances of an insurer being able to get what its insured apparently could not—money—are very slim.

Why Subrogation Is Worth Little

Some insurance claim men and executives, at the outset of uninsured motorist cover, thought the business should use this opportunity to make a public example of the uninsured motorist, and that if the companies pursued enough of them, with garnishee of salary, seizure of dwelling equity, etc., it would have a beneficial, educational effect on the irresponsible drivers. But in many of these situations, claim men say, the uninsured driver is liable but not culpably liable. He should have had insurance but didn't. He should not have caused the accident but did. It could happen to anyone. Consequently, there has been little or no passionate pursuit of the negligent uninsured. It is too early to tell what the experience is going to be.

It would be a mistake not to recognize that compulsory is a fact in enough states to make it a constant menace in every other state. Compulsory and the alternatives to compulsory tend to hold down rates, cut the profit and shrink the commission. Fewer companies remain in the field.

All this is a tough challenge to the ingenuity, skill, adaptability and endurance of the automobile insurance business.

With compulsory, financial responsibility, UM, UJF, what is there to say about selling?

In Massachusetts, the effect of compulsory has been to force down commissions. At times they have been

nothing—in years when underwriting losses were excessive because the commissioner wouldn't approve an honest rate increase.

But one thing Massachusetts agents have understood for years which other agents only recently began to appreciate is the absolute necessity of having companies to put automobile business in. That is why, even in years that were so bad for the companies that some of them paid no commission at all, agents were glad to keep their insured on the road.

Under compulsory also more service is required of the agent.

Fewer agencies tend to handle a larger and larger volume of automobile, private passenger and commercial, because they are willing to take the trouble with it. The low commission on compulsory has tended to be offset by the larger volume and by other business, both automobile and non-automobile, that develops as a result. And it does develop. For insured in Massachusetts have learned to appreciate agency service on automobile.

Under compulsory fewer and fewer

companies write automobile business.

Thus selling appears to be the last thing required in the automobile field. At the moment the hard sell job seems to be to persuade company underwriters to accept the business.

For the long term, however, the important matter is, where does the automobile owner buy? From what company? From what agent?

For, today, aren't you really faced with the choice of hanging on to your private passenger automobile liability business—and developing more of it—in order to protect your dwelling business—and develop more of it?

Isn't this imposed on you as a necessity by the fact that the single company agents are moving into the dwelling insurance field, homeowners, and comprehensive personal liability, by way of the private passenger automobile? These insurers are starting to write commercial business. Judging by past performance, they will go after the numerically large risks of the greatest homogeneity that are the easiest and most economical to handle. Mercantiles, say. Filling stations? Be sure they will seek those



Maybe You Don't NEED Insurance

If you don't own a home . . . or furniture . . . or jewelry . . . or a car, you may get along without the services of an insurance agent or broker. But for most of us, life is not that simple. Modern living is so complex that the protection of property and liability has become a major problem. The over-all solution, of course, is insurance. But—

What types of insurance?

In what amounts?

Through which insurance companies?

The man to rely on for accurate answers to insurance questions is your independent agent or broker. He is not limited to any one company, so he can select the policies and companies that suit your needs. And the cost of his service is included in your insurance premium. **Talk with your independent agent or broker today.**

Business Established 1842

THE ATLANTIC COMPANIES

ATLANTIC MUTUAL INSURANCE COMPANY
CENTENNIAL INSURANCE COMPANY
P. O. Box 6, Wall Street Station • New York 5

25 Offices from Coast to Coast

Multiple Line Companies Writing Marine, Fire and Casualty Insurance

This advertisement appears in the Country's leading newspapers



A heap of planning goes into a home...

the final touch should be an efficient, flexible program of insurance. You have more to offer your prospects today than ever before, with a package program to fit every purse.

For up-to-the-minute sales information write
Multiple-Peril Department . . .

SCOTTISH-AMERICAN GROUP



SCOTTISH UNION and NATIONAL INSURANCE COMPANY
AMERICAN UNION INSURANCE COMPANY
of NEW YORK
HARTFORD, CONNECTICUT

risks that have the best underwriting experience.

You can see that the same influences are coming to bear on the dwelling class, and eventually on the desirable commercial classes, that have been pressing on the private passenger automobile line for several years.

There are bound to be somewhat smaller margins in the premium for both company and agent.

Avoid Duplication Of Effort

To offset this, it seems quite likely that the agency business will have to eliminate all of the non-productive, non-paying duplication of effort that presently exists. The private passenger business needs to be handled wholesale instead of retail. With 50 million cars on the road, where can you find a larger number of homogeneous risk units?

In the days ahead, independent agents, and the agency companies are going to have to adopt some mass marketing methods to hold per unit costs down to where they can compete and still come out whole.

To offset the loss of earnings per

unit, they will need to achieve the other quite important positive benefit of mass marketing, an increase in the number of units handled.

Consequently, it is a particular kind of selling that is involved here: Getting the product to the purchaser as inexpensively as possible.

First, however, you still have to get the prospect's decision to buy from you.

How are you going to do that? You have to have a reasonably competitive price. The coverage has to be fairly close to the best on the market. If you select your companies, as you should, for good loss and claim service, you always have that to sell. You have local, constant availability to the client in case he has a claim or loss. Certainly at that time he needs your experienced advice and counsel. If you have his dwelling and have given him good service on that, perhaps this will exert some influence on him.

Instead of individual calls and the slow building of acquaintances through civic, safety and other community group activities, you will have to

advertise and merchandise through newspapers, radio and other mass media.

Or you can do it by direct mail to large but carefully tested lists of names. The leads you develop will very likely have to be followed up by telephone.

One agency for several years has built business by providing assigned risk service—and advertising the fact. When the risk is assigned, not for an individually poor performance, but because it falls in an unpopular class—when these risks come out of assignment the agency selects the ones it wants to keep, which, after such service, is not difficult to do. Many such risks are desirable ones.

Must Deal With Young Driver

For one thing, this solves the problem of how to treat the young driver. As you must deal with the automobile problem, you also have to meet the difficulty posed by the young driver. Even now he belongs to an insurance buying family. But, more important, he is the old driver, family man and property owner of tomorrow.

Also, this approach is practically without competition, especially from exclusive agent companies. Of course it is hard to sell these risks to agency insurers. But is this more difficult than waiting till auto liability is again producing a reasonably decent experience—and how are you going to get the business then? Won't it be even more work and cost you and your companies more money to do so?

Perhaps if you had your accounts on a monthly premium payment basis, it would be easier for insured to pay. Certainly increases, which haven't stopped coming in auto liability, would then seem more palatable to insured and would be less apt to arouse him to protest. In addition, not only do many insured appreciate the convenience of paying their premiums monthly, monthly installments help reduce the attraction of price differentials.

More Premium Per Account

You not only need to handle more units at less expense. You also need to sell more to each account—personal, commercial or a combination of the two. Why shouldn't you sell personal insured his dwelling package, his auto coverage—and his A&S and life insurance? Why shouldn't you sell your commercial client, in addition to his personal needs, his company's property and liability needs, his bonds, his group and individual A&S, his major medical, and his group and individual life insurance?

After all, the best service you ever rendered a client was to sell him the protection you sold him. It was a service when you sold him and remains a service as long as it is in effect.

If you have any confidence in your ability to determine his insurance needs and recommend proper protection in the proper amounts to cover these needs, then you ought to regard any account for whom or for which you act in a lesser degree as a partial client, a half job or less.

Who Else Will Do It?

If you don't try to do the whole job, you will not know whether it is done. Your client is not equipped to know whether he is properly insured. If you don't do it, if he can't do it, who is going to do it—the agent who sells nothing but life insurance? The A&S specialty salesman? The one company specialty agent? Isn't it your responsibility in modern times practically

every risk on your books has purchased life insurance—individual group and individual A&S, his major medical, also true to almost the same extent of A&S, hospitalization, and to a lesser degree of major medical.

Much of this business has been bought, not sold. On the earnings side some of your commercial insured pay more for life and A&S than they do for business interruption. Possibly more of them have life and A&S plans than their business than have U&O.

Hard Job Already Done

One fact about the life business is significant to the local agent. Many new agents who quit the life business do so because of prospecting problems. This always has been the case. These new life agents had the prospect you have in your files, very likely many of them would succeed. Consequently you already have done the hard part of life insurance selling. You have built a file of prospects who have confidence in you and will listen to you.

Of course, if you simply don't talk to your clients about the life and A&S needs of themselves and their firms you can continue to let some other agent find them and sell them. Maybe he needs the money more than you do. It hasn't been proved that he is in a better position to advise your client of his over-all insurance program, though he has been trained to find one or several insurance needs and prescribe for it. Most life insurance sales are not complicated, and for the few that are—say a tax or partnership situation—the life companies have plenty of experts to advise your client and help you close a sale and make a commission.

One thing is certain. You have more opportunity to be of service to the citizens of your community today than at any time in the past quarter of a century. You also face the necessity of performing those services as inexpensively as possible and making insured pay for them by selling him as much of his insurance needs as possible—if you are to end up with profit. Problems create opportunities. There are plenty of problems today.

Corscadden Moves To Cincinnati

Standard Accident has appointed John E. Corscadden as claim department manager of the company's Cincinnati branch office.

He entered the insurance field in 1948 as a casualty claim adjuster for Maryland Casualty, and in 1953 joined Standard Accident as claim department manager at Syracuse. He was transferred to the home office casualty claim department in 1955 and in 1956 was named assistant manager of the department, the position he held until his recent appointment.



Prospects are mighty pleased to learn that stock, furniture, fixtures and improvements and betterments can be combined in a policy covering almost "all risks" of loss. You can write it reporting or non-reporting, single or multiple location.

Your London & Lancashire fieldman will be happy to help you survey that next commercial prospect.

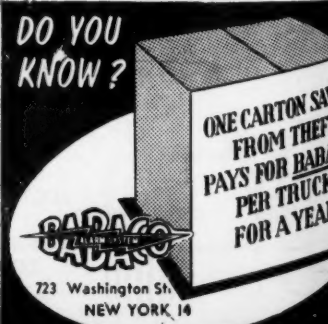
LONDON & LANCASHIRE GROUP



THE LONDON & LANCASHIRE INSURANCE COMPANY, LTD.
SAFEGUARD INSURANCE COMPANY
STANDARD MARINE INSURANCE COMPANY, LTD. (Fire Department)

20 Trinity Street, Hartford, Connecticut
NEW YORK • CHICAGO • SAN FRANCISCO

A Firm Friend of the American Agency System



Court Upholds Sheehan In Hearing Call

ST. PAUL—Commissioner Sheehan has been upheld by the state supreme court in his efforts to hold a hearing involving the alleged unfair practices of Standard American Life of Minneapolis. The company writes credit life insurance.

Mr. Sheehan had ordered the company to defend itself against charges that it was violating the unfair practices act. The company obtained a temporary restraining order in district court requiring the commissioner to show cause why a temporary injunction should not be issued. Mr. Sheehan appealed to the supreme court alleging that the district court was about to exercise judicial power in the matter. The high court issued an absolute writ of prohibition holding that the lower court could not interfere with the commissioner's action in attempting to enjoin the company from engaging in alleged unfair competition. The decision of the high court was unanimous.

Mr. Sheehan said that the public will save approximately \$7 million a year if he succeeds in his attempt to modify the practices of all companies selling credit insurance. He explained that all other companies in that field except Standard American Life agreed to comply with his request to modify credit life practices, effective July 1, 1958. Failure of the one company to conform resulted in indefinite postponement of his order, the commissioner said.

Preferred Risk To Write Dwellings Of Abstainers

Preferred Risk Mutual of Des Moines is entering the fire field and will write fire and EC on dwellings and contents. The company has been writing only automobile, limiting its business to total abstainers. For the fire business the same restriction will be applied, limiting the fire coverage to non-drinkers in protected areas.

N. Y. Board Reports Sept. Losses Down, Amount Up

New York Board reports fire, EC and sprinkler losses for September as compared to the same month in 1957 decreased in number 4.7% to 507, but as claim increased in amount 21.7% to \$1,721,775. Despite this, losses for the first nine months of 1958 have increased in number 35.9% to 9,016 but have decreased in amount 1.7% to \$20,619,919.

Mutual Bureau Increases

Mutual Insurance Rating Bureau has revised general liability rates, effective Nov. 5. OL&T rates are increased for BI 14.1% in Kansas and 10% in Rhode Island. Rates for the corresponding storekeeper's liability classifications also are revised in these two states where necessary to preserve the relationship between the rates for OL&T and those of the broader storekeeper's liability coverage. Also introduced in both states is a revised classification and rating procedure for garden apartments.

The M&C bodily injury liability rates for BI are increased 3% in Kentucky and decreased 4.4% in Minnesota.

Hughes Applies Scalpel To A&H Problems Created By Patient, Physician, Insurers

(CONTINUED FROM PAGE 5)

of an injustice by an insurance company and almost invariably I find that his position was ill taken and politely point this out to him. This consumes time but I feel it is a physician's obligation to help his patient in this way and certainly it is far better than to blandly tell the complainant to take it up with the insurer.

Withholding Of Information

A second problem posed by an occasional patient is the deliberate withholding of information from the insurer when the policy is first taken out. When insured finds that the insurer will not pay for an operation for a condition which existed prior to the contract, anger results. For example, a lady requested that I examine her carefully because of indigestion. In the course of taking the history I elicited the fact that several physicians over

a period of the previous eight years had x-rayed her gall bladder and each had found stones. I found them also and referred her to an outstanding local surgeon who removed them uneventfully. Several weeks after the operation she stormed into my office insisting that I sign an insurance claim for the operation, stating amid unlady-like words that the surgeon refused to do so. She finally admitted

that she had taken out the policy only four months prior to the operation and had not mentioned that she was known to have gall stones. I also refused to sign her claim blank and to this day she vents her spleen to friends and associates concerning how mean the surgeon and I are. Fortunately, this type of chiseler is rare. Yet I wonder how often unscrupulous individuals collect, after withholding important medical information from the insurer, and even from the doctor.

A third patient problem revolves around going to the hospital for a rest. Many patients think that because they

Tenn. Insurer Formed

Chemical Fire & Casualty has been chartered at Memphis. While the company will write general fire and casualty business, its first policies will cover the nationwide anhydrous ammonia industry whose national association, Agricultural Ammonia Institute, is at Memphis.

Officers are Ralph H. Wooten, local business man and former president of the institute, chairman; George C. Niemeyer, supervisor of Lincoln National Life, president; Gerald M. Murley, Memphis real estate and insurance agent and a member of the state legislature, vice-president; and Leo L. Cole, local attorney, secretary-treasurer.

The company will make a public offering of stock.

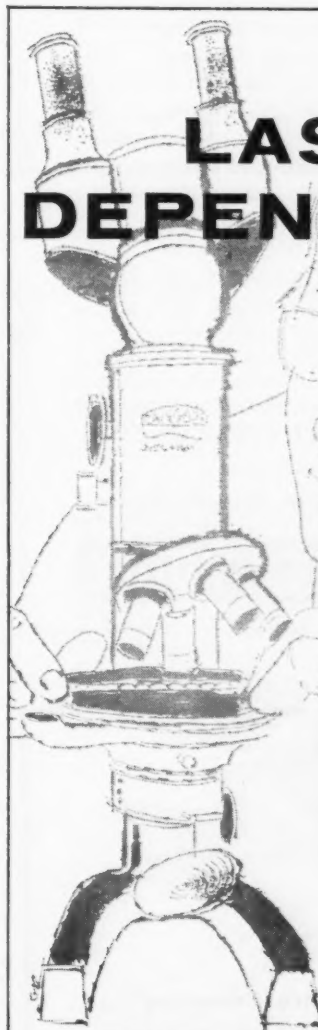
New Mo. Insurer Alignment

ST. LOUIS—Jefferson Mutual Fire, which started in business in 1861, has been taken over by Allied Mutual of Kansas City. William M. Smith, who is head of Allied Mutual, succeeds Oliver A. Berwin as president of Jefferson Mutual, which does an annual business of about \$40,000 in premiums.

The home office of Jefferson Mutual will be moved to Clayton, Mo., also the home office of Missouri Mutual Casualty, which was recently purchased by Allied Mutual. Jefferson Mutual Fire and Allied Mutual Casualty will be merged.

Ohio County Agents Elect

Erie County (O.) Board of Independent Agents has elected Owen Disbrow president; Clark Burwell vice-president; and Frank H. Hafner secretary-treasurer. Nelson Welschenbach and Roger Doerzbach are new trustees. All are from Sandusky.



LASTING DEPENDABILITY

worthy of your
CONFIDENCE

Searching into the unforeseen, measuring stress, pinpointing dangers, the man with the microscope commands increasing confidence with each bridge that's built, each wonder drug prescribed.

So, by careful analysis of developing insurance needs, does Phoenix of London provide solid underpinning—new protection against today's hazards—and tomorrow's.

Build your future serving and being served by the Phoenix of London Group.



Phoenix of London GROUP

55 FIFTH AVENUE • NEW YORK 3, NEW YORK

PHOENIX ASSURANCE COMPANY OF NEW YORK
LONDON GUARANTEE & ACCIDENT COMPANY, LTD.
THE UNION MARINE & GENERAL INSURANCE COMPANY, LTD.

USE A

RESPONSIBLE
SERVICE

ATWELL, VOGEL & STERLING, INC.

A-1815 INSURANCE EXCHANGE, CHICAGO
KIRBY BLDG., DALLAS, TEXAS

369 PINE STREET, SAN FRANCISCO
AS WELL AS 28 OTHER OFFICES PROVIDING NATIONWIDE SERVICE

HARWOOD BLDG.,
SCARSDALE, N. Y.
9 CLINTON STREET, NEWARK
60 JOHN STREET, NEW YORK

CASUALTY, FIRE & INLAND MARINE AUDITS, on Compensation, Liability, Fleet, Products, and all reporting form Fire & Marine policies.

INSPECTION & ENGINEERING service on all Casualty, Fire & Inland Marine lines.

NATION WIDE SERVICE in the U. S. and Canada.

WE DO NOT CONFINE OUR SERVICE mainly to large, concentrated, profitable areas, but cover the United States and Canada.

ON SAVED
THEFT
RABBIT
TRUCK
YEAR

Fred

T Fred Smith is manager of the Buckeye Union Bond Department, and has been ever since we began writing bonds in 1948. During this ten-year-span the smallest annual production increase we have had was 13.7%.

The reason Buckeye Union has been so successful in writing bonds is that our agents have come to rely on Fred. They need an "OK" in a hurry—all they have to do is call Fred Smith at Buckeye Union. He bends over backwards to accept almost every bond he's offered, and our agents know they will get fair treatment from Fred all the time.

Fred Smith is typical of all underwriters and department managers at Buckeye Union. He knows that as long as he cooperates with our agents, they will cooperate with him. If you would like to represent an insurance organization that believes the company and agent have to work together for both to succeed, contact our agency superintendent or our branch office nearest you.

BUCKEYE UNION INSURANCE COMPANIES

Box 1499, Columbus 16, Ohio

Branch Offices: Ohio, Akron, Cambridge, Canton, Cincinnati, Cleveland, Columbus, Dayton, Lima, Mansfield, Toledo; Indiana, Indianapolis, Fort Wayne, South Bend; Michigan, Grand Rapids, Detroit; West Virginia, Huntington, Parkersburg; Kentucky, Louisville; Pennsylvania, Pittsburgh, Lancaster.



**American Equitable Assurance Company
of New York**

Organized 1918

Globe & Republic Insurance Company of America
Established 1862

**Merchants and Manufacturers Insurance Company
of New York**
Organized 1849

New York Fire Insurance Company
Incorporated 1832

CORROON & REYNOLDS GROUP
92 William Street, New York 38, N. Y.

have medical insurance they can lounge around a hospital for a week or two. I inform such patients that I seriously question whether their insurance will pay for hospitalization. This stops most of them short of the admitting office.

Refuses To Be Discharged

What of the insured patient who enters the hospital for legitimate reasons but declines to leave when the subject of discharge is brought up by the doctor? While this is infrequent, nevertheless, it can be very costly. One cannot throw such a patient out of the hospital. A reputable physician can find ways, however, to achieve the discharge of such a patient in fairly short order. I usually wait no longer than one day and then sit down politely beside the patient and point out how expensive the premium would be if lots of policyholders stayed in the hospital a few days each too long. This often works. If not, I then add that I shall have difficulty in vouching for the necessity of staying longer.

Not A Wise Course

Another problem of real magnitude is the ambulatory patient who seeks to enter the hospital to have tests done because the policy pays for them there but not in the physician's office. Frankly, it has always amazed me that any insurer would insist on hospitalization as a prerequisite for payment for x-rays and laboratory procedures when obviously the company will also have to pay the hospital for room and board. Moreover, it often takes more days in a hospital to complete tests than it does in a doctor's office. This is poor business on the part of insurers and a direct inference that the physician cannot be trusted to do a minimum number of procedures in his office. For that matter, what is to keep the doctor from ordering a perfect multitude of tests in the hospital, to be paid for by the company?

Patients and insurers alike place an inordinate emphasis on tests, and are willing usually to pay for them but fail to appreciate the value of the amount of time spent by the physician.

Coverage Is Not Enough

A common insurance problem of patients is that they failed to buy adequate protection in advance. If I insure my house for \$2,000, do I have a right to complain because, when it burns down, my insurer gives me only \$2,000? Of course not. Yet many fairly well-to-do patients complain that their medical insurance pays only a part of the room and board, only a few dollars for drugs, etc. Under these circumstances it is wise for the physician, in order to maintain the good name of medical insurance, to quietly point out that the company is not culpable for paying only what the contract calls for.

Rare is the greedy patient who, when about to be discharged from the hospital, requests the physician to give him large supplies of numerous drugs, especially if they are expensive, because his insurance policy will pay for them.

Even more rare is the patient who insists that numerous unnecessary x-rays and tests be performed on him while in the hospital because his policy will pay for them. The wise physician simply informs the patient that the tests are not needed and that certainly exposure to avoidable radiation is unwarranted. Firmness on the part of the physician is all that is needed.

The average doctor can be trusted implicitly not only with life and limb

but also with his fees. The common conception that all physicians are rich men is a fallacy.

In a confidential survey of well over 500 members of the Memphis & Shelby County Medical Society not long ago it was found that the average doctor had an annual income of \$16,000, that he donated in cash to church and charities over one-tenth of that sum, that he worked a perfectly preposterous number of hours, and the membership still treated enough charity patients for free to save Memphis over \$3 million annually.

A few physicians do raise problems. Some are far too tardy in completing the insurance blank and forwarding it to the company. Such delays create additional work and expense for the company and antagonize patient and company alike.

Careless In Filling Out Blank

At times some doctors are careless in filling out the blank and in rare instances leave off important information. When the patient is admitted to the hospital primarily for a chronic anxiety state but at the same time has the sniffles, is it honest to list acute respiratory infection as the primary diagnosis, for insurance reasons, and chronic anxiety state second? Of course not. Yet it is done, and it costs the insurers.

It is easy for an unscrupulous physician to classify a case as an emergency. It is often difficult to disprove his contention that it was. For this reason I have been very happy to notice of late that some companies are including on the claim blank a question as to whether the patient was ambulatory on admission. This will weed out some false claims.

Fees paid to the doctor usually are stipulated in the insurance contract. For surgeons and surgical specialties, and for obstetrics these fees are, as a rule, reasonable. But for medical care they are all too often absurdly low, far less than a plumber or a TV repairman would accept for a visit. If the fee is in the contract, there is no problem; the insurer pays that fee and the physician reserves the right to make an additional charge to the patient in line with the services rendered.

Where Difficulty Arises

The real difficulty at times is caused by insurance which guarantees in advance to insured that medical or surgical bills will be paid in full. Under these circumstances the insurance company may consider the surgeon's fee, for example, too high, and sometimes it is. If they cannot settle the matter between them, the tendency has been to throw the problem in the lap of our medical society's grievance committee. This was easy for the insurer but hard for the surgeon, as it is a stigma to be ordered to appear before such a committee and takes much time.

After careful review of this sort of case, the executive committee of Memphis & Shelby County Medical Society voted unanimously that no society committee could adjudicate between one of its members and any insurer the question of a fee unless the patient himself complained.

The society did not want to place itself in the position of dictating fees. Also, very few doctors would deliberately charge above average fees for fear of incurring the society's disapproval and experiencing a decrease in referrals of patients from society members. The adjuster is not defense-

Look to UNITED PACIFIC for Leadership

FIRE
INLAND MARINE
FIDELITY and SURETY
GROUP LIFE, DISABILITY
and HOSPITAL-MEDICAL
GENERAL LIABILITY
PROPERTY DAMAGE
PLATE GLASS
AUTOMOBILE
BURGLARY



WHERE TO PLACE YOUR BUSINESS

A guide or directory of responsible and adequately equipped local agents. These offices have nation-wide facilities for handling your out-of-state business.

FLORIDA



33 YEARS
of rendering preferred
service to non-resident
AGENTS - BROKERS
STATE WIDE FACILITIES
115 N. Olive
West Palm Beach, Fla.

GEORGIA

Dudley L. Moore, Insurance
Specializing in assisting agents
in placing unusual lines.
(Foreign and Domestic Markets)
Atlanta Federal Savings Bldg.
Atlanta 3, Ga. JA 5-7485
Title Bldg. Gurney Bldg.
Birmingham, Ala. Orlando, Fla.

ILLINOIS

**CRITCHELL-MILLER
INSURANCE AGENCY**
Established 1868
Insurance Exchange Building
CHICAGO

Moore, Case, Lyman & Hubbard
General Agents
175 W. JACKSON BLVD.
CHICAGO
WAbash 2-0400

WISCONSIN

Chris Schroeder & Son, Inc.
210 E. Michigan St., MILWAUKEE
Engineering Services—All Lines
The largest insurance agency in the
State of Wisconsin

less under these circumstances and should retain his share of the responsibility for adjusting such differences concerning a fee. Finally, the society did not want its grievance committee to serve as a collection agency for companies against physicians, or physicians against companies.

Unnecessary Surgery

Another insurance problem is posed by physicians who perform unnecessary surgery. Occasionally one finds a mercenary doctor who is equally quick with knife and bill. He performs what we refer to as acute remunerative surgery. This type is a danger to the public, a curse to his profession, and a great liability to insurers. In our larger hospitals this type seldom retains operating room privileges for long as, unknown to most laymen, hospital staffs have special committees which keep accurate records month by month of every surgeon operating.

Some doctors cost insurance companies great sums of money by falsely classifying certain patients as totally or partially disabled. Insurers should get together and set up a plan for calling automatically for expert medical reevaluation of such cases when certain established average periods of disability for diseases, operations, and injuries have been exceeded.

Other rarer problems involving doctors include bearing false witness in court; falsifying insurance blanks; deliberately prolonging hospitalization for medical profit; increasing unnecessarily follow-up visits; ordering unneeded and expensive appliances, etc.

Complicated Claim Blanks

The claim blank, fortunately, is gradually being simplified. Some companies still use blanks containing unnecessary questions which wiser companies, interested in speedier though still accurate service, long since have deleted. The old classic one is, "Has this patient any constitutional disease or disability?" The common cold and cancer both qualify for "yes." So does an ingrown toe nail. It is a disability. Most physicians have agreed that it would be good for all concerned if insurers got together nationally and agreed on a standard form for the patient and the physician to fill out.

Few doctors feel that it is justifiable to charge a fee for filling out the claim blank. Yet I have thought many times of billing the insurer for time consumed in having to recite all details of each visit of the patient in previous years, all diagnoses, severity, treatment, and results, not to mention x-ray findings. Companies which require this much information should pay a fair fee.

Only rarely does a company writing a doctor for information concerning a patient applying for medical insurance include a fee, or suggest one. Most companies state that the physician will be doing him patient a favor in helping him secure the policy by answering the questions listed below. Invariably these questions call for all information you have on the patient. Virtually all doctors feel that in filling out this sort of blank we are also doing the insurer quite a favor by putting it in a solid position to sell the policy and that our services are worth remuneration if the company intends to make a profit on them by selling a policy.

Grow-Summer-Englebert agencies of Detroit has named Richard C. Landgraf head of the engineering department. He has been with Springfield F. & M. in Detroit for the past nine years.

MOTOR'S CRASH BOOK SERVICE

all the information
you need to make fast,
accurate, appraisals of
auto collision damage.



1 SPEEDS ESTIMATING TIME. Estimates can be made or checked faster with Motor's easy-to-read, easy-to-use CRASH BOOK SERVICE MANUAL than with any other pricing system.

2 FREQUENT, PROMPT, UP-TO-DATE REVISION SERVICE on parts prices and flat rates make for more accurate, on-the-spot appraisals.



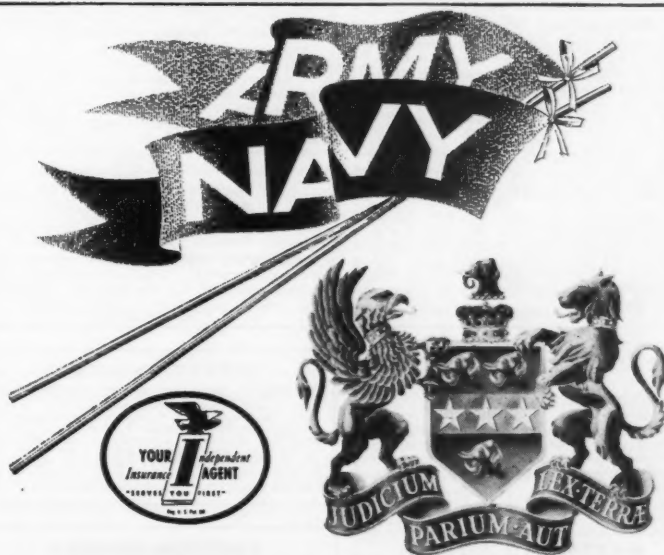
3 MAKES PARTS IDENTIFICATION EASY. Supplies the greatest available number of parts pictures, frame dimensions and major assemblies . . . plus complete information for identifying car models and body styles.



Write today, for full information — to:

MOTOR CRASH BOOK SERVICE

250 West 55th Street, New York 19, New York
PUBLISHED BY THE HEARST CORP.



SYMBOLS OF SUPPORT...

The pennant of your preference tells that you're standing squarely behind your favorite team. And the coat-of-arms tells that we're standing squarely behind you.

Camden Fieldmen are ready, willing, able and anxious to help you sell—on-the-spot. They'll lend you their considerable experience and Camden-trained "know-how" to open those tough new accounts . . . to build a bigger "insure-to-value" business with established contacts.

Then—Camden offers you a packet of printed persuaders that can and will tell the story of "Planned Protection Portfolios" effectively—sell your name time and again. Write and see.

The Camden
FIRE INSURANCE ASSOCIATION
CAMDEN 1, NEW JERSEY

South Carolina Agents Will Ask For Strengthened SR Law; No Alternatives

(CONTINUED FROM PAGE 1)

cipate in the evolution that is going on in the business, he said, and they need to do the best possible job of local representation of their respective companies. In the area of public relations, he recommended that agents take time to tell the story of insurance to employees, clients, company representatives, legislators and local news sources.

Two Views Are Incompatible

He is concerned over the two directly opposed and incompatible points of view expressed by so many agents. One attitude is to demand more and more to say about rates, forms, etc., which could be enforced only by unionism and collective bargaining with its subordination of independence. The other is to ask for professionalism by agents in their handling of clients' needs.

Agents should give fair consideration to proposals which may meet existing or changing conditions, he urged. But they should avoid the other extreme of being like the sheep that follows the flock blindly, even to its own destruction.

David Schenck, Greensboro, N. C.,

said that in spite of all the troubles in the agency business these days, he would not trade his agency business, with its opportunities of satisfaction, for anything else he can think of, and certainly not for the restrictive regimentation of industrial management.

Plenty Of Agency Problems

However, there are plenty of problems. How can the agent plan for the future, should he expand, should he contract, should he cut expenses, should he advertise, should he seek new companies, should he merge with another agency?

He advised agents not to lose their heads. There are still many opportunities for service and the need for that service in insurance. The conscientious, professional agent who handles his client's insurance as he would his own, who studies his profession and the market, is invaluable to his customers, and such an agent has plenty of loyal customers in his files to prove it.

Mr. Schenck suggested that there is a considerable difference between clients. Some don't need, or want, or wish to pay for, the type of service

At the South Carolina agents' meeting, an agents' panel discussed the new homeowners: J. Tom Grier and Chase E. Furnas of Spartanburg, Dan Breeden of Greenville, and Bernard J. Olasov of Charleston, moderator.



that the professional, independent agent renders. Others not only want such service; they seriously need it. So, he advised, why not concentrate on the market that needs service, will pay for it, will remain loyal and solvent, and will produce a profit for agents and companies they represent? He regards this as the only formula for the salvation of the business.

He does not think that this is the time for reckless expansion, pell mell corraling of customers, all out volume production, etc., regardless of quality. On the contrary, it is a time to strengthen ties with good accounts, for examining prospects for whom agents can be of the greatest service. They are the accounts that will be on the books 10 years from now and for whom the service of the agent will amply justify payment of a worthwhile commission fee.

Expansion Is Urgent

The problem of expansion for the small agency is an urgent one, he conceded, for only through expansion

agency must get its house in order, cull its business, concentrate on those who need the agent's advice and knowledge and who can and will pay for it. It would be folly to hire a man to look after a volume of nonprofitable business.

He estimated that the owner of an agency that has a \$100,000 volume must earn \$15 to \$20 an hour to run his shop—and that doesn't include take home pay. If he fails to meet this requirement, the office help takes it all home and he has none. Consequently, the agent is compelled to evaluate his time and to push for maximum earnings every working hour. It would be folly to waste those precious hours clamoring for clients who neither need nor can afford his service. He urged a truly professional approach to the job of being an agent, and an insistence upon a profit for his efforts.

The new homeowners was discussed by a panel consisting of Bernard J. Olasov of Charleston, moderator, Dan C. Breeden of Greenville, and J. Tom

WANT ADS

Rates—\$22 per inch per insertion—1 inch minimum—sold in units of half-inches. Limit—40 words per inch. Deadline 4 P.M. Friday of week before publication in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER

Situation Wanted

Experienced Husband and Wife Insurance Team desire to relocate. Ten years in the business, processing \$500,000 in annual premiums. Ages 39. Plenty of ability but must have permanent arrangement. Address Box D-7, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

MULTIPLE LINE SPECIAL

If you are entering or active in Penna.—Presently employed special must relocate. Large following in eastern and central Pa. Will work that territory or the entire state. College grad., age 44, married, one child. Address Box D-26, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

EXECUTIVE

Man (45) 25 years company Multiple Line Underwriting. Production and Administrative background desires Executive position in the east with expanding, aggressive company or agency. Competent to manage divisional office or inaugurate Multiple Line development program in Home Office. Address Box D-29, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

WANTED TO BUY

Agency with \$75,000-\$100,000 premium volume in city of 10,000 or larger in Orlando-Lakeland Area or elsewhere in Central or South Florida. Reply Box D-30, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

INSURANCE EXECUTIVE

Advisory service organization, with select industrial policyholders, requires Executive with experience in Account Management all coverages, including surplus lines. Casualty predominates. Major Company experience desirable. Location Southeastern United States. Excellent future. Good starting salary. Fringe benefits. Profit participation. Replies confidential. Write Box D-31, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

CLAIM MAN WANTED

Experienced Liability and Workmen's Compensation Home Office Claims Examiner, preferably over 45 years old, to work in Chicago office of medium size casualty insurance company. Opportunities excellent for man with background and proper abilities. Write Box C-94, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

OPPORTUNITY FOR EXPERIENCED CASUALTY SALES REPRESENTATIVE

Large nationally known mutual casualty company has desirable opening in St. Louis District Office for experienced casualty representative. Will train for advanced sales and management responsibilities. Salary open. Address Box D-38, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

CASUALTY UNDERWRITER AND OFFICE MANAGER

for home office auto department, Western Stock Casualty Company, writing automobile, A & H, and limited casualty lines. Must be willing to make investment in Company Stock. Salary open. Address Box D-33, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

SAFETY ENGINEER

TO HEAD OUR MIDWEST OPERATIONS This is a challenging opportunity with an excellent future, as supervisor with full responsibility of Multiple-Line insurance company's safety engineering loss prevention operations. Applicant should have proven technical and administrative ability. Age 28-39. Outstanding company benefits. All replies confidential. Reply Box D-35, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

POSITION WANTED

Young man, 35, 11 years experience, CPCU aspirant, desires position as Casualty Manager, Branch Manager, Production Supervisor or related duties. Prefer Ohio vicinity. Reply in detail. Address Box D-36, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

AVAILABLE

EXPERIENCED INSURANCE SECRETARY KNOWLEDGE OF CASUALTY, FIRE, SURETY LINES, AND AGENCY BOOKKEEPING PROCEDURE. REPLY TO BOX D-37, c/o The National Underwriter Co., 175 W. Jackson Blvd., Chicago 4, Ill.

AVAILABLE—CHICAGO AREA

PRODUCTION—AGENCY MAN. 15 years experience in Company and General Agencies. Fire, Marine and Casualty. Heavy Fire-Marine. Complete schooling in all lines. Immediate connection desired. Reply Box D-39, National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill., or call Austin 7-0115.

The 1958-59 officers are: J. Edwin Schachte of Charleston, state national director; W. L. Thompson Jr. of Hartsville, president; Edwin F. Saunders of Walterboro, vice-president; and Hayne P. Glover Jr. of Greenville, past president.



of agency sales personnel can the agency break the bond that tie the one and two man offices down—and create a permanent, valuable business organization, big enough to withstand economic shocks and individual frailties. However, he wondered what true business man would gamble up to \$20,000 in the next several years on an untried solicitor in today's unsteady market. The job today is to dig a little deeper, hold on a little longer, and extract maximum profit from every venture. Before expanding, the

Grier and Chase Furnas, both of Spartanburg. A showing of NAIA's advertising film started off the general sessions.

Urges Big I Support

James F. White, advertising director of Maryland Casualty, urged agents to tie in with the Big I campaign. The principal thing the agent has to advertise, he declared, is his own name.

One of the "different" features of the entertainment program was attendance by the entire convention of a performance of the play "Syllabub" at the Dock Street theatre. The play is about Charleston.

A number of companies, general agencies and organizations maintained hospitality suites during the convention, including America Fore Loyalty, American Casualty, Canal, Chubb & Son, Citizens Home, Cudd & Coan, Equitable of S. C., First of Georgia Fire & Casualty, Hartford Fire, Hurt & Quin, North America, Johnson & Johnson, Maryland Casualty, Palmetto Development Corp., Seibels, Bruce & Co., Southeastern Underwriters Assn., U.S.F.&G., Waddell, Lumpkin & Co.

Insurance Women of Milwaukee held their annual bosses night last week.

CASUALTY SPECIAL AGENTS

Experienced men needed for large multiple line company with expanding operations. Excellent benefits and opportunity. Men needed for: Richmond, Va., New Orleans, Dallas, Maine & West Virginia.

Write giving details, experience, salary, education, etc., to: Dept. SA; P. O. Box 178, Wall St. Station, New York 5, New York. All replies confidential.

Election Wake Leaves Heavy Casualties In NAIC; Expect New Faces In 14 States

DELAWARE

Harry R. Smith, commissioner, was reelected for a four year term.

FLORIDA

J. Edwin Larson, state treasurer and insurance commissioner, was reelected. Mr. Larson is the secretary of NAIC.

GEORGIA

Zack Cravey, a veteran, was reelected commissioner.

IDAHO

Leo O'Connell is Idaho commissioner and no changes are contemplated in that situation.

ILLINOIS

There was no gubernatorial election in Illinois, and Director Joseph Gerber will remain in office.

INDIANA

The commissioner's term in Indiana runs until 1961. There was no gubernatorial race there this year.

IOWA

Oliver P. Bennett is expected to go out of office with the reelection of Gov. Loveless. Mr. Bennett was appointed at a lame duck legislative session by the last Republican governor and has been serving under the Democrats.

KANSAS

Frank Sullivan bucked the Democratic tide and was reelected for a two-year term.

KENTUCKY

There was no election of a governor in Kentucky this year, and Cad P. Thurman is expected to continue as commissioner.

LOUISIANA

No change is expected in Louisiana, where the commissioner is Rufus D. Hayes.

MAINE

The new governor, Clinton A. Clauson, is a Democrat, like his predecessor. Commissioner George F. Mahoney is a Republican. His term expires next August, and the early betting is that he will remain in office.

MARYLAND

The new governor, Millard Tawes, is a Democrat who succeeds a Republican. Commissioner Charles S. Jackson, a Republican appointee, was appointed for a term expiring next May, but he may resign when Tawes assumes office.

MASSACHUSETTS

Gov. Furcolo, Democrat, was reelected. Commissioner Joseph A. Humphreys has served since 1953, and his second term of three years expires next April. There is reportedly some uncertainty as to Mr. Humphreys' future.

MICHIGAN

Joseph A. Navarre has resigned. He was appointed by Gov. Williams, who won his sixth term, and had a year to go. Mr. Navarre is entering the private practice of law at Jackson, Mich.

MINNESOTA

Commissioner Sheehan's term expires Feb. 1. Gov. Freeman was reelected, but it is doubtful that he intends to reappoint Mr. Sheehan who went into office under a Republican six years ago.

MISSISSIPPI

Walter Dell Davis will remain as commissioner in Mississippi.

MISSOURI

Superintendent Leggett will continue. His term expires in 1961.

MONTANA

John Holmes did not have to run in this election. He first went in as commissioner in 1932, but has not served continuously.

NEBRASKA

The change of administration will produce a change of directors. John H. Binning will not be reappointed at the end of his term in January.

NEVADA

The recent legislative change producing a four-year term for the commissioner will save the job of Paul Hammel, despite a change in governors. Mr. Hammel is vice-president of NAIC and will be able to serve his term as president.

NEW HAMPSHIRE

The new governor, Wesley Powell, is a Republican, like his predecessor. Commissioner Donald Knowlton's fourth five-year term began last June.

NEW JERSEY

There was no gubernatorial election in New Jersey and commissioner Charles Howell will remain in office.

NEW MEXICO

In New Mexico, Ralph Apodaca is appointed by a board. There is no definite limit to his term, and it is believed his chances of staying are good.

NEW YORK

Nelson A. Rockefeller, Republican, beat the bid of Gov. Harriman, Democrat, for reelection. The present superintendent, Julius S. Wikler, is a Harriman appointee whose term expires in December. Several successors to Mr. Wikler have been mentioned in the business—agents and company people—but it is considered likely that no one is yet under consideration by Mr. Rockefeller. The tradition in New York has been to name a lawyer to this post.

NORTH CAROLINA

Commissioner Gold did not have to run for office in the 1958 election. His term expires at the end of 1961.

NORTH DAKOTA

A. J. Jensen, an assiduous campaigner, was reelected.

OHIO

Arthur I. Vorys is out as superintendent with the election of a Democratic governor. During Mr. Vorys' term, the superintendent in Ohio was promoted to cabinet rank.

OKLAHOMA

Joe B. Hunt was reelected. He was elected first in 1954 to a term expiring Jan. 12, 1959.

OREGON

The Republicans took over in Oregon and Hugh H. Earle undoubtedly will be out as commissioner. He is expected to turn in his resignation even though his term runs to 1961.

PENNSYLVANIA

A Democrat, David Lawrence, succeeded a Democrat. Commissioner Francis R. Smith is a Democratic appointee whose term expires next January.

RHODE ISLAND

Rhode Island — A Republican, Christopher Del Sesto, replaced a Democrat, but George A. Bisson, the commissioner, whose term is not fixed, has served under both parties. However, his chances of surviving this time are considered not as bright.

SOUTH CAROLINA

It is anticipated that R. Lee Kelly will remain in office. He is elected by the legislature.

SOUTH DAKOTA

D. E. Mitchell is another casualty of the election. His term runs to July, 1959, and he may stick it out until then.

TENNESSEE

Buford Ellington, Democrat, represents no party change, and it would be surprising if the commissioner, Arch E. Northington, who is appointed and whose term expires in January, would not be reappointed to serve out his term as president of National Assn. of Insurance Commissioners.

TEXAS

No changes are expected in Texas, where Gov. Daniel was reelected.

UTAH

Carl A. Hulbert, who was appointed Utah commissioner only a few months ago, will not be reappointed because of a change of administration in his state.

VERMONT

Robert T. Stafford, Republican, represents no change in party. The term of Commissioner Alexander H. Miller expires next March.

VIRGINIA

T. Nelson Parker is expected to stay on as commissioner of Virginia.

WASHINGTON

William A. Sullivan, the dean of insurance commissioners, did not have to run for office in the Nov. 4 election. He last won in 1956 for a term which expires in January, 1961.

WEST VIRGINIA

C. Judson Pearson is unaffected by the November elections.

WISCONSIN

Paul J. Rogan, a Republican appointee, will be out of office. He was Republican floor leader in the house of the state legislature before becoming commissioner.

WYOMING

The insurance department of Wyoming in the last legislative session

was placed under the state board of equalization. The election produced a Democratic governor in Wyoming and a Republican senate which must confirm his appointments. The status of Ford S. Taft is not altogether certain because of the political haze.

Sets Slawsby Right On Auto Class Experience

(CONTINUED FROM PAGE 1)

the bureau, he added, went into considerable detail with respect to the matter in the talk he gave to the NAIA convention in Chicago in 1957, entitled "The Role of Private Passenger Classifications in the Competitive Market." Mr. Leslie enclosed a copy of Mr. Cahill's speech in his letter to Mr. Slawsby.

In that talk, Mr. Cahill reported the breakdown of experience by classifications and the effect of this experience on the then current filings by the bureau. For rural and small cities, with 1A as 100%, the experience for 1B was 102, 1C 141, 2A 191, 2C 369, and 3 143%. The distribution of number of cars for the classes was: 40%, 36%, 4%, 9%, 4%, and 7%, respectively. For large cities, the experience was, for the classes, 100, 114, 153, 204, 321, and 149. The distribution here was 34%, 43%, 3%, 7%, 4%, and 9%.

Similar records, Mr. Leslie wrote Mr. Slawsby, have been kept for subsequent years and the indications are reviewed annually in order to true up the differentials whenever changes of consequence are indicated.

Because the Slawsby statement received such wide publicity, Mr. Leslie sent a copy of his letter and Mr. Cahill's speech to state associations and the insurance press.

Continental Casualty Promotes P. J. Collins

Patrick J. Collins has been appointed Supervisor of the Diversified Risks section of the Special Risks division. Mr. Collins had formerly been a field representative for the same division. He joined Continental in January 1958.

Mr. Collins' duties will include responsibility for unusual risks, group long term disability, automobile racing and special major medical departments of the company.

Cincinnati Expands To Florida, Enters Surety

Cincinnati Ins. Co. is entering the bond business, with W. H. Rummel as manager of the new department in the home office. Mr. Rummel has been in this phase of the business since 1949, most recently as Ohio bond superintendent for Massachusetts Bonding at Cleveland.

The company has entered Florida, with W. W. DuBose taking over as state agent, with headquarters at Orlando. A veteran of the Florida field, Mr. DuBose has been with Firemen's in that state since 1937 and previously in the local agency business there.

Cincinnati reported a premium increase of 75% for the first nine months of 1958 and an 89.5% combined loss and expense ratio. Policyholders surplus stands at \$805,900, an increase of \$107,000.

Edward J. Breck, president of John H. Breck Inc., Springfield pharmaceutical firm, has been elected a director of Springfield F. & M.

School Districts Not Liable For Student Athletic Hospital Costs

School districts are not liable for hospital bills of students injured in athletic contests, according to a current opinion by state Attorney General Paul Adams. He predicted, however, an early change in this legal view by Michigan courts. The opinion was asked by State Sen. George Steeh. Mr. Adams said that his finding was based on "the assumption that the fact situations do not involve any negligence on the part of the school district's employees or agencies".

Adams also noted that the "prevailing rule" prevents recovery even if negligence is present on the basis of "governmental function" immunity. He warned, however, that the "changing attitude" of Michigan's supreme court forecasts that "in some future case the defense of governmental immunity by a school district will not be upheld in an action for damages arising out of the negligent acts of employees or agents in connection with

the sponsorship of an athletic contest by the school district." The attorney general indicated that such a ruling by the supreme court probably would hinge on the fact that admission fees are charged for athletic contests and the district was accordingly engaging in a "proprietary" rather than a "governmental" function.

Allstate Opens New Regional Office At Huntington, N.Y.

Allstate celebrated the opening of a new regional office in Huntington N. Y., with a two-day open house attended by company executives and local civic and business leaders. President Judson B. Branch led the home office contingent which included Henry S. Moser, senior vice-president; G. H. Bartlett, vice-president in charge of field administration; A. E. Spotke, public relations vice-president, and Arthur Oakes, eastern zone vice-president.

Pioneer Mutual of Lansing has moved to its new home office at 1034 North Washington avenue.

Nicol, Special Agent Of Aetna Fire, Retires

Thomas J. Nicol, state agent for Aetna Fire, has retired after nearly 33 years in the field.

He has supervised western Michigan from the Grand Rapids office since 1950, and prior to that was a special agent at Louisville for 15 years and field man at Detroit. He joined the Michigan Inspection Bureau in 1922 and came to Aetna in 1926.

Kerch Is Resolute V-P

Anthony W. Kerch has been elected vice-president and chief accounting officer of Resolute and Resolute Credit Life. He was formerly supervisory senior auditor of Joseph Froggart & Co., New York insurance accounting firm.

Edward P. Stuhr has been elected a director and a member of the finance committee of U. S. Fire. He is vice-president and director of research of the Fiduciary Trust Co. of New York.

.2% Reduction In Texas WC Rates Indicated

AUSTIN—An overall reduction of .2% in workmen's compensation rates, to become effective Dec. 1, was indicated in the new scale submitted by the Texas board at a recent public hearing.

The proposed changes for the four main industry groups are: Manufacturing, minus .8%; contracting, minus 1%; oil, minus 2.2%, and all others, plus 2.5%.

The hearing also featured a formal presentation of a proposal of the Workmen's Compensation Assigned Risk Pool, which asked for a blanket surcharge of 8% on its risks since relief is needed because of continually increasing assessments.

26 Agents Are Graduated By Aetna Fire ML School

Members of the 23rd agents' multiple line training school of Aetna Fire attended a graduation luncheon at the Hartford Club. President Clinton L. Allen addressed the group and presented the diplomas.

Twenty-five students from 12 states and one from Brazil attended the seven-week course, which was divided into two sessions—the first on personal lines and the second on coverages for commercial risks.

The next agents' school will be held in Hartford late in April, 1959.

Jarman To Philadelphia For Continental Casualty

R. Brian Jarman has been named excess and surplus lines manager at Philadelphia for Continental Casualty. He has been an underwriter in the home office.

Mr. Jarman was a Lloyd's broker at London with Messrs. Alex. Howden & Co. for four years before he joined Continental Casualty in 1954.

Mich. Surety Names Two

Stanford R. Boster has been elected secretary of Michigan Surety succeeding John Freiden, who has resigned. Harold J. Leeman, who has been with Michigan Surety for eight years, was advanced to treasurer.

G. W. Draper is executive vice-president of Michigan Surety, a member of the Ins. Corp. of America group. Mark H. Kroll is president.

Breakdown Of Ia. Auto Business

Iowa Assn. of Independent Insurance Agents in its current bulletin notes that the latest computation of automobile premiums in Iowa, those of 1957, show that agency mutuals and reciprocals write 34.5% of the business, the direct writers have 28.5%, non-bureau stock agency companies 22%, bureau agency companies 12.3%, and finance company-owned insurers 2.7%.

American Institute of Marine Underwriters presented a silver tea and coffee service to Grace Line for use on board its new S. S. Santa Paula. Madoe M. Pease of North British, president of the Institute, presented the service to Lewis A. Lapham, president of Grace Line, at a luncheon at India House in New York. The tea and coffee service is a duplicate of one presented earlier this year for use on board the Santa Paula's sister ship, the S.S. Santa Rosa.

DIRECTORY OF RESPONSIBLE INDEPENDENT ADJUSTERS A

CALIFORNIA

W. C. QUIGG & ASSOCIATES

284 Spreckles Theatre Bldg., San Diego 1, Calif.
Telephone BE 2-5138
Service Office: 120 N. Orange Ave., El Cajon
Telephone HI 4-3139

ADJUSTMENTS — ALL LINES

Member Calif. Assoc. Independent Adjusters

FLORIDA

RAYMOND N. POSTON, Inc.

159 S. W. 8th St. Miami, Fla.
BRANCHES:
FT. LAUDERDALE
521 1/2 S. Andrews Avenue
PALM BEACH AREA
16 N. L. Street Lake Worth
KEY WEST
415 Fleming Street
ST. PETERSBURG
486 1st Avenue

ILLINOIS

E. S. GARD & CO.

Adjusters

CHICAGOLAND CASUALTY CLAIMS

★ ★ ★ ★ ★

175 W. Jackson Blvd., Wabash 2-8880

JOHN H. HUNT & CO., INC.

Chicago Office—330 S. Wells St., HA 7-0830
Serving Northern Illinois and N. W. Indiana
Branch Offices:
WAUKEGAN, DEITA 6-8822 GARY, Turner 2-9338
ELMHURST, Terrace 4-9480 JOLIET, Joliet 2-5634
ELGIN, Sherwood 2-2420
24 HOUR SERVICE

J. R. McGowan, Pres.

THOMAS T. NORTH, INC.

Adjusters All Lines

Phone HARRISON 7-3230

175 W. Jackson Blvd., Chicago 4

ILLINOIS (cont.)

LIVINGSTONE ADJUSTMENT SERVICE

619 E. Capitol Ave., Springfield, Illinois
Branch Offices: Decatur — Mattoon —
Mt. Vernon — Belleville — Quincy
Covering Central and Southern Illinois
All Lines of Fire & Casualty

CHICAGO SUBURBAN CLAIMS SERVICE

Adjusters

State 2-4803

100 N. La Salle St. Chicago 2, Ill.

KENTUCKY

McGUIRE ADJUSTMENT CO.

REPUBLIC BLDG. LOUISVILLE 2, KY.
Staffed by experienced personnel for prompt and courteous service in adjusting Casualty, Fire and allied lines of insurance claims, within radius of 75 miles.
PH. Juniper 4-6764 Night—MEIrose 6-3771

NEVADA

R. L. GRESHAM & CO.

Multiple Line Adjusters

321 North 5th Street Las Vegas, Nev.

Servicing
Beatty and Pioche, Nevada
St. George and Cedar City, Utah
Needles and Baker, California

OHIO

O. R. BALL, INC.

Fire — Inland Marine

Allied Lines

1544 Hanna Building
Cleveland 15, Ohio
Phone Superior 1-7850
Night Phones: MONTrose 3-7664
Florida 1-5095

OHIO (cont.)

THOMAS D. GEMERCHAK

Insurance Adjustments
All Lines

416 Citizens Bldg., Cleveland 14, Ohio
Phones Off. Su. 1-2666 — Res. Fa. 1-9442

STATEWIDE ADJUSTMENT CO.

HOME OFFICE: 328 WILLIAMSON BLDG.
CLEVELAND 14, OHIO TOWER 1-1700
Offices throughout Ohio
Edwin C. Dolan, Mgr. Andrew Simon, Asst. Mgr.
Investigations and Adjustments for
Insurance Companies — All Lines.
Night Phones: FAIRfax 2-5915, ACademy 1-0906

OKLAHOMA

C. R. WACKENHUTH AND SON

ADJUSTERS FOR THE
COMPANIES—ALL LINES

301 Mid-Continent Bldg.
Tulsa, Oklahoma
Phones LU 2-5460
GI 7-3850

H. BRUCE WELCH & ASSOC.

Multiple Line Adjusters and Investigators
536 So. West 29th Street
Oklahoma City 9, Oklahoma
MEIrose 4-1408-09-00
H. Bruce Welch, Manager
S. M. D. Clark, Fire Manager
Bill Prueger & Jess Horn, Casualty Adjusters
Servicing a 200 mile radius.

UTAH-IDAHO

SCOTT WETZEL CO. UTAH-IDAHO INSURANCE ADJUSTERS

428 So. Main—Salt Lake City, Utah
515 Eccles Bldg.—Ogden, Utah
1st Security Bank Bldg.—Idaho Falls, Idaho
258 Broadway—Pocatello, Idaho
121 - 2nd Ave. East—Twin Falls, Idaho

TORONTO-CANADA

ADAMSONS, LTD.

Established 1894

Fire - Inland Marine - Casualty

and Auto ADJUSTERS

10 Lines to Serve you.

Our cars are equipped with radio for fast efficient service.

Phone: EMpire 3-6223

9 Wellington St., East Toronto 1



J. L. FOSTER & R. K. FOSTER

Insurance Adjusters

First National Bank

Building

Springfield, Illinois

Tel. 8-7555

Fire Inland Marine Casualty



Medical Guide For Industrial Insured

An industrial medical and occupational health manual has been prepared by Aetna Casualty as a guide for its industrial policyholders. The 42-page, illustrated booklet, available through Aetna Casualty field claim offices, is designed primarily for new policyholders and for those who are establishing new in-plant medical services or planning to improve existing medical programs.

Created by the company's industrial medical and rehabilitation division, the manual outlines standard requirements for such programs and describes methods for preventing injury and disease and promoting better employee health.

J. Lawrence Finlayson, of the law firm of Brown, Connery, Kulp, & Willie and president of the South Jersey chapter of CPCU, spoke on the fate of the agency system as seen from a lawyer's viewpoint, at the Camden-Gloucester County (N.J.) Insurance Agents Assn. October meeting.

Service Guide

O'TOOLE ASSOCIATES

Incorporated
Management Consultants to
Insurance Companies
Established 1945
220-02 Hempstead Avenue
QUEENS VILLAGE 29, NEW YORK

The LAWRENCE WILSON COMPANY

Managing General Agents
SURPLUS LINES-ALL FORMS
Representing **LLOYD'S LONDON**
First National Bank Building
Tulsa 3, Okla.

ROBERT I. BUSHNELL

Management Consultant
to Insurance Organizations
Hoydens Hill Road Fairfield, Connecticut
Clearwater 9-8852

BOWLES, ANDREWS & TOWNE, Inc.

ACTUARIES
MANAGEMENT CONSULTANTS
LIFE—FIRE—CASUALTY
EMPLOYEE BENEFIT PLANS
RICHMOND ATLANTA NEW YORK
PORTLAND

CERTIFIED PERSONNEL SERVICE

John J. Haggerty

Suite 402 TR. 5-0666
900 Peachtree St., N.E. Atlanta 9, Ga.

Distinguished Awards

Brochure Free
Scrolls • Illuminated Resolutions
Certificates
Walnut • Bronze • Laminated Plaques
BEAUX ARTS ENGRAVERS
award specialists
30 No. La Salle St., Chicago 2, Ill. Bearborn 2-5242

WHITE & WHITE

Inspection & Audit Service
Offices in 18 Midwestern Cities
Prompt—Efficient—Economical
629 East 71st Terrace
Kansas City 10, Mo.

Blue Cross Modifies Mich. Ceiling Payments

Michigan Hospital Service has modified its flat emergency ceiling payments to hospitals of that state. The new plan will become effective in January. The decision had been recommended by a special benefits and payments committee representing Blue Cross subscribers. The board conceded that the 1958 ceiling, intended to prevent a possible increase in the organization's rates due to the recession, had "resulted in such a hardship to some hospitals that they faced virtual bankruptcy, or sharp curtailment of services."

The plan continues a ceiling on a basis directly related to hospital costs, dividing all participating hospitals into seven categories based on size and geographic location. A "base" year will be set up within each category and an average per diem cost figure established on which to base future payments. Any hospital whose base year "average" exceeded 125% of the general average would not be allowed any increase for the following year, thus curbing any tendency of hospitals to inflate their costs inordinately.

The board also approved two new "lower cost" contracts. One is a deductible-type contract, with the subscriber paying the first \$50 of hospital costs. The second is a so-called "economy" contract placing a \$14 per day limit on the hospital room allowance and limiting hospital care to 30 days rather than 120 days allowed in the "comprehensive" and deductible contracts. The new contracts, it was stated, will be offered Michigan groups "very soon."

N. E. Mutual Fire Assn.

Expands In N. Y. And N. J.

Mutual Fire Insurance Assn. of New England is expanding its claims division to New York and New Jersey and has appointed Vincent W. Hopkins claims manager with headquarters at Newark. Mr. Hopkins was formerly with General Adjustment Bureau, most recently as general adjuster in the eastern department.

Employers Graduates 16

At the graduation exercises of Employers Liability agents' school in Boston, John A. Donovan, director of agency relations presented diplomas to 16 students, representing 10 states. Principal speaker for the event was Arthur S. Murch Jr. of the Carroll K. Steele agency in Gloucester, Mass.

Knox Has Premier In California

Knox & Co. of Oakland are general agents in California for house trailers for Premier, the auto specialty company controlled by Transamerica Corp. It was reported in a previous issue that National Home Underwriters of Sacramento were California general agents for Premier, but National Home Underwriters handles the states of Arizona, Nevada, Oregon and Washington.

Hartford Claim Assn. has elected Ralph Coppeler, Travelers, president; Nelson P. Butler, Hartford Fire, vice-president; and John Graycer, Aetna Fire, secretary.

Paul F. Nockels, who operates Yuma Adjustment Bureau of Yuma, Ariz., has accepted appointment as claim and loss representative in Yuma for Lyle Adjustment Co. of Phoenix.

Reinsurance ...

SERVING

INSURANCE AND REINSURANCE

COMPANIES AND BROKERS

WHO DEMAND THE BEST!

Through long experience and thorough knowledge of Reinsurance, we are in the position to supply you the essential contracts tailored to meet your specific requirements.

TREATY

FACULTATIVE

CATASTROPHE

SPREAD LOSS

SURPLUS

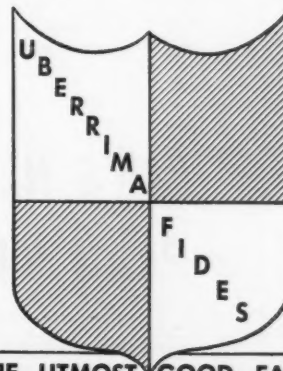
EXCESS

QUOTA SHARE

Leonhart and Company, Inc.

SOUTH & WATER STREETS SARATOGA 7-3500
BALTIMORE 3

27 WILLIAM STREET HANOVER 2-6384
NEW YORK 5



you are sure of
The Utmost Good Faith
when your casualty reinsurance is with

THE NORTHERN ASSURANCE COMPANY, LTD.

CITIZENS CASUALTY COMPANY OF NEW YORK

AMERICAN HOME ASSURANCE COMPANY

underwritten by

AGENCY MANAGERS LIMITED

BEN D. COOKE — PRESIDENT

102 MAIDEN LANE • NEW YORK 5, N. Y.

Telephone: DIgby 4-1752

Teletype: NY1-4082



**net
new
premiums!**

INA'S NEW MONTHLY PREMIUM PAYMENT PLAN MEANS MORE BUSINESS FOR YOU

This convenient arrangement will benefit both the policyholder and producer. Your policyholders will like the easy pay-by-the-month* idea—it takes the 'pain' out of the peaks. They'll be able to afford the complete insurance program they've always needed. You are free of the trouble and expense of billing. *All* your time can go to servicing and selling. Besides, your prospect is in a better mood to hear how INA package policies can provide security and happiness for his family. Use this wonderful opportunity to expand your present accounts and develop new ones.

We're telling your policyholders in ads in *Life, Post, Reader's Digest* and on TV

* Sorry, not yet in Ohio or Virginia

INSURANCE BY NORTH AMERICA



Insurance Company of North America

Indemnity Insurance Company of North America

Life Insurance Company of North America

Philadelphia

JH
The
Th
Des
NEW
senting
Assn. of
nies, and
ent Insu
program
irrespons
presented
for the in
This is
omobile
country—
three or
automob
U.S.—ha
plan wit
of the r
financial
the first
have ag
plans,
responsi
Ask
Reco
lowe
DES M
pendent
Commis
the rati
surance
the bur
The
adopted
was cri
cost all
formula
fiscator
the ind
Iowa at
agents k
The m
was pla
In as
consider
it felt
terest
all of t
rating
ed out
had be
other n
that th
port th
actual
hearing
change
New
App
The
been a
tive d
first a
age po
old h
dwelling
At
knowz
though
it
XUM